

STATE OF NEW MEXICO

ZUNI PUBLIC SCHOOLS



ANNUAL FINANCIAL REPORT

JUNE 30, 2016



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INTRODUCTORY SECTION

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
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STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
OFFICIAL ROSTER
FOR THE YEAR ENDED JUNE 30, 2016

<u>Name</u>		<u>Title</u>
	<u>School Board</u>	
Jerome Haskie		President
Stephanie Vicenti		VP/Secretary
Masika Sweetwyne		Secretary
Bernadette Panteah		Member
	<u>District Officials</u>	
Hayes A. Lewis		Superintendent
Martin Romine		Director of Finance
Caroline Ukestine		Director of Federal Programs
Susan Griffith		Director of Special Education
Tammie Gerrard		Director of Human Resources
Randy Stickney		Curriculum Director

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FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT

Timothy Keller, New Mexico State Auditor
The Office of Management and Budget
And the Board of Education of
Zuni Public Schools
Zuni, New Mexico

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, the aggregate remaining fund information, and the budgetary comparisons for the general fund and major special revenue funds of Zuni Public Schools, (the "District") as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents. We have also audited the financial statements of each of the District's nonmajor governmental funds, and the budgetary comparisons for the major capital project funds, debt service fund, and all nonmajor funds presented as supplementary information as defined by the Governmental Accounting Standards Board, in the accompanying combining and individual fund financial statements as of and for the year ended June 30, 2016 as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control, and accordingly, no such opinion is expressed.

An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the District as of June 30, 2016, and the respective changes in financial position and where applicable, cash flows thereof and the respective budgetary comparisons for the general fund and the major special revenue funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

In addition, in our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of each nonmajor governmental fund of the District as of June 30, 2016, and the respective changes in financial position thereof and the respective budgetary comparisons for the major capital project funds, debt service funds, and all nonmajor funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 1 through 9 and Schedules I and II and notes to the required supplementary information on pages 56 through 58 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the District's financial statements, the combining and individual fund financial statements, and the budgetary comparison. The introductory section and other supplemental information, Schedules III through IX are presented for the purposes of additional analysis and are not a required part of the financial statements.

The Schedule of Expenditures of Federal Awards and Schedules III through VI on pages 143 through 150 required by 2.2.2 NMAC are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards and Schedules III through VI required by 2.2.2 NMAC are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory section on pages i through iv, and Schedules VII through VIII on pages 151 through 160 have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 03, 2016 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Manning Accounting and Consulting Services, LLC

Manning Accounting and Consulting Services, LLC

Kirtland, New Mexico

October 03, 2016

ZUNI PUBLIC SCHOOL DISTRICT

Hayes A. Lewis, Superintendent

Management Discussion and Analysis For the Fiscal Year Ending June 30, 2016

This Management Discussion and Analysis of the fiscal performance of the ZUNI PUBLIC SCHOOLS (District) for the period ending June 30, 2016 represents the District's ninth year implementation of the Governmental Accounting Standards Board Statement No. 34 (GASB 34). This is the Twelfth year implementation of the GASB 34 rules, the reader will be able to make comparisons.

This discussion and analysis provides a review of the District's overall financial activities, using the accrual basis of accounting, for the year ending June 30, 2016. Fund Financial Statements are reported on a modified accrual basis of accounting. Rather than looking at specific areas of performance, this discussion and analysis focuses on the financial performance of the District as a whole. Whenever possible, this discussion and analysis will provide the reader multi-year pictures of financial performance and other pertinent information through the use of tables and other graphical information.

In addition to the new reporting, this annual report consists of a series of detailed, audited financial statements and the notes to those statements. Also included is the Independent Auditor's Report, The Independent Auditor's Report on Compliance on Internal Control (Governmental Accounting Standards), and a schedule of Findings and Questioned Costs. These statements and information were included in past audit reports.

About ZUNI PUBLIC SCHOOLS

To completely understand the financial discussion of ZUNI PUBLIC SCHOOLS, it is important to understand the nature of the District.

For parents choosing a public education for their children, Zuni Public Schools offer pre-school, full day Kindergarten, elementary, and secondary education for approximately 1,300 students at the present time. After a number of years of declining enrollment, the district enrollment has stabilized and is showing signs of future growth.

The Zuni Public School District is located approximately 160 miles west of Albuquerque, New Mexico. Zuni Public Schools is one of the largest employers in our community. During the past few years, our enrollment has hovered just under 1,300 students approximately equal in gender distribution. Our students are virtually 100% Native American as the school district encompasses the Zuni Indian Reservation.

This goal of our school district is to provide safe, quality educational opportunities to all students to empower them to become all that they can be. The vision of the Zuni Public School District is:

"The district and community shall work together to create a thoughtful and nurturing environment that meets the needs of all students in traditional and contemporary cultures."

- Given this vision statement from the Board, and with the guidance of the New Mexico Public Education Department (PED) with their expectations outlined in the Standards for Excellence, and through varied input from district administration, teachers, and parents; ZPSD established the goal of increasing student proficiency by varying degrees based on grade level and to encourage and improve parental involvement at all grade levels. Our focus areas are defined in the district's Educational Plan for Students Success.

Significant Financial Highlights for the Year Ended June 30, 2016

- The district has implemented the new financial reporting and processes as required by the Governmental Accounting Standards Board Statement No. 34. The implementation includes both the current year reporting of depreciation on Capital Assets and accumulated depreciation to date.
- As part of the implementation of GASB 34 requirements, accumulated depreciation of \$28,508,688 as of June 30, 2015 increased to \$29,793,295 ending accumulated depreciation as of June 30, 2016, for a difference totaling \$1,284,607. Capital Asset values increased by \$20,084,873 which included \$20,121,731 in additions and adjustments and \$36,858 in dispositions.
- The overall adjusted Fund Balance increased from \$2,835,889 for the year ending June 30, 2015 to \$2,934,986 for the year ending June 30, 2016. This represents an increase in the fund balance of \$99,097.
- Total revenues increased from \$25,610,037 for the year ending June 30, 2015 to \$39,741,478 in the year ending June 30, 2016. This change is an increase of \$14,131,441 reflecting an overall revenue increase of 55.18%. This revenue increased due to an increase in student enrollment, an increase in the student unit value, final Impact Aid payments for the 2013 and 2014 school years, and PSFA grant revenue for the construction of Shiwi Ts'ana Elementary School.
- Total expenditures increased from \$25,496,990 for the year ending June 30, 2015 to \$39,631,307 for the year ending June 30, 2016. The increase in expenditures equates to \$14,134,317 or 55.44%. The district expenditures increased due employee raises, along with associated benefits cost increases and the construction of Shiwi Ts'ana Elementary School.

DISTRICT WIDE FINANCIAL STATEMENTS

Statement of Net Position

This is the ninth year of implementation for the GASB 34 Statement of Net Assets. The ZUNI PUBLIC SCHOOLS has utilized the accrual method of accounting. This statement shows that the District has total assets of \$30,805,847. The District has \$3,112,976 of cash and cash equivalents on hand as of June 30, 2016 compared to \$1,479,392 in accounts payable and other current liabilities.

Assets	<u>June 30, 2015</u>	<u>June 30, 2016</u>
Cash Assets	3,112,976	1,713,763
Other Current Assets	1,012,390	1,155,637
Restricted Cash and Capital Assets	47,500,711	48,791,347
Construction in Progress	6,158,723	25,726,362
Less Accumulated Depreciation	<u>(28,508,688)</u>	<u>(29,793,295)</u>
Deferred Outflows of Resources		
Subsequent employer contributions and change in assumptions and proportion – pensions	<u>1,529,375</u>	<u>2,395,850</u>
Total Assets and Deferred Outflows of Resources	<u>30,805,487</u>	<u>49,989,664</u>
Liabilities		
Accounts Payable	226,113	139,457
Other Current Liabilities	1,253,279	1,105,872
Long Term Liabilities	7,040,000	6,585,000
Net Pension Liability	<u>20,480,141</u>	<u>22,437,898</u>
Total Liabilities	<u>28,999,533</u>	<u>30,268,227</u>
Deferred Inflows of Resources		
Change in actuarial and investment experience and change in proportion – pensions	<u>2,166,802</u>	<u>1,113,627</u>
Net Position		
Invested in Capital Assets	(3,351,162)	36,911,012
Restricted	2,450,269	2,234,120
Unrestricted	<u>540,045</u>	<u>(20,537,322)</u>
Total Net Position	<u>(360,848)</u>	<u>18,607,810</u>
Total Liabilities, Deferred Inflows of Resources and Net Position	<u>22,977,656</u>	<u>49,989,664</u>

ZUNI PUBLIC SCHOOLS financial statements, prior years' information is included. The Management Discussion and Analysis has included two years of information in the presentation of this table.

GASB 34 rules now require public entities to depreciate capital assets. The District utilized a "straight line" depreciation method in all cases and standardized lifetime tables in calculating this depreciation.

GASB 68 and 71 rules now require public entities to report their net pension liability.

Statement of Activities

The Statement of Governmental Activities is a statement required by GASB 34 and is prepared using the accrual method of accounting. This report compliments the Statement of Net Position by showing the overall change in the District's net position for the fiscal year ending June 30, 2016. As of June 30, 2015 the District had re-stated net position of (\$360,848). The re-stated beginning year total net position, due to a prior period adjustment in the amount of \$388,298, is \$27,450. The Net Position as of June 30, 2016 is \$18,278,292 or an increase of \$18,302,204. There was no prior period restatement due to a change in accounting principle for the year ended June 30, 2016.

	<u>June 30, 2015</u>	<u>June 30, 2016</u>
Expenses for Governmental Activities	19,457,409	20,823,618
Charges for Services	530,807	588,538
Operating Grants and Contributions	4,602,968	4,969,633
Capital Grants and Contributions	<u>6,945,829</u>	<u>19,807,343</u>
Net (Expenses) Revenues and Changes in Net Assets	(7,377,805)	4,541,896
Taxes – general, debt service, capital projects	13,460	4,474
Federal and State Aid not restricted to specific purposes	13,518,929	13,832,918
Interest Earned	143	955
Miscellaneous	<u>424,833</u>	<u>198,604</u>
Subtotal, General Revenues	<u>13,956,365</u>	<u>14,038,464</u>
Changes in Net Position	<u>6,578,560</u>	<u>18,580,360</u>
Net Position – Beginning of Year	13,943,866	(360,848)
Prior Period Restatement – Change in Accounting Principle	(20,884,274)	-0-
Prior Period Adjustment – Fixed Asset Adjustment	<u>-0-</u>	<u>388,298</u>
Net Position Beginning - Restated	<u>(13,943,866)</u>	<u>27,450</u>
Net Position – Ending	<u>(360,848)</u>	<u>18,607,810</u>

FUND FINANCIAL STATEMENTS

Fund financial statements are based on a modified accrual basis of accounting. The Statement of Revenues and Expenditures and Changes in Fund Balances, is *not* new to the District's annual financial reports. This report guides the reader to a meaningful overall view for the District revenue, expenditures and changes to the fund balance. Total revenues from state, local and federal sources were \$39,741,478. Total expenditures for the District were \$39,631,307. The total ending fund balance was \$2,934,986 an increase of \$99,097 from the prior year.

Multi-Year District Revenues and Expenditures

A multi-year view of overall District revenues and expenditures indicates growth and declines in both areas. The growth and decline of revenues and expenditures are commensurate with student enrollment decline, legislative initiatives to improve funding for teacher salaries, student needs and other educational programs as well as state and local increase in revenues for capital outlay purposes.

Year	Total Revenues*	%age Change	Total Expenses*	Increase %
2008-2009	21,228,059	(3.3%)	22,341,587	(10.7%)
2009-2010	20,252,802	(3.5%)	21,012,450	(6.0%)
2010-2011	20,123,035	(0.6%)	20,974,523	(0.2%)
2011-2012	18,568,130	(7.7%)	22,063,415	5.19%
2012-2013	18,008,374	(1.7%)	23,037,887	(17.3%)
2013-2014	19,079,198	5.9%	19,751,362	(14.26%)
2014-2015	25,610,037	34.23%	25,496,990	29.09%
2015-2016	39,741,478	55.18%	39,631,307	55.44%

*Note: Revenues do not include proceeds from General Obligation Bonds, and exclude cash carryovers; Expenditures include Capital Outlays.

The Budget

District budgets reflect the same change as seen in the revenue and expenditures of the District. The State of New Mexico school budget process is defined under state law and regulation. To enhance the process of developing a budget at the school district level, the District utilizes goals and objectives defined by the District's Board, community input meetings, long term plans and input from various staff groups to develop the District's budget. District priorities are well defined through this process.

GASB 34 does not require a statement presenting the overall result of the budget for the year, however, all major budgetary funds are required to be reported as a separate statement.

Major budgetary funds in these reports are; The General Fund (Operational Fund, Teacherage Fund, Transportation Fund and Instructional Materials Fund), two Federal Funds (Title I and IDEA BI), Public School Capital Outlay, Capital Improvements SB-9, and Debt Service. Included in this total are forty-three (43) non-major Special Revenue Funds and six (6) non-major Capital Projects Funds which are reported for budgetary performance.

The reader will note that the Operational Fund represents 62% of the total fund dollar amount. This fund provides the salary and benefits for the significant majority of the Direct Instruction, Instructional Support, Administration, Business Support, and Maintenance staff as well as classroom materials, special education consulting staff and fixed utility costs.

Revenue from this fund is substantially derived from the State Equalization Guarantee and Federal Impact Aid Funds, which is the funding formula appropriated for education by the State Legislature less a 75% credit for Federal Impact Aid funds received by ZPSD. The Operational Fund is explored later in the Management Discussion and Analysis.

The following table examines the summary budget performance of the major and combined non-major funds for the fiscal year ending June 30, 2016. Detailed budget performance is examined through the Budgetary Comparison Statement for each major fund and the Schedule of Revenues and Expenditure Budget and Actual for the combined Special Revenue Funds, Capital Projects Funds, and Debt Service.

MAJOR AND OTHER IMPORTANT FUNDS EXPENDITURE BUDGET PERFORMANCE

Fund Type	Final Budget	Actual	Variance
OPERATIONAL	13,102,430	12,428,223	674,207
TEACHERAGE	370,644	265,587	105,057
TRANSPORTATION	521,179	480,113	41,066
INSTRUCTIONAL MATERIALS	191,656	-0-	191,656
FOOD SERVICE	941,387	922,342	19,045
CAPITAL OUTLAY FUNDS	1,763,959	702,358	1,061,601
DEBT SERVICE	1,508,663	707,112	801,551

COMBINED NON-MAJOR FUNDS EXPENDITURE BUDGET

Fund Type	Final Combined Budget	Actual	Variance
Special Funds	7,135,081	5,445,944	1,689,137

All funds fell within the regulatory criteria set by the Public Education Department and New Mexico Statute. Both the Manual of Procedures for Public School Account and NMSA 8-22-5, Annotated require that budget expenditures be within the authorization of the approved budget.

The Operational Fund

The Operational Fund revenues, which include Impact Aid revenues, represent \$12,641,150 of the total \$39,741,478 in overall District revenues. The impact of this fund must be kept in context as \$19,170,648 of total revenues was a one-time construction award from the state of New Mexico to build the new Shiwi Ts'ana Elementary School. The construction began during the 2014-15 school year and will be completed during the 2016-17 school year. The Operational Fund began the year with an initial budget of \$12,639,766 and had a final budget of \$13,102,430. This change represents an increase of \$674,207. This increase was due to the receipt of final payments for 2013 and 2014 Impact Aid awarded revenue.

The Operational Fund is predominately funded by revenues from the State of New Mexico Equalization Guarantee Formula and from Federal Impact Aid payments. The fund pays for teaching staff, teaching support staff, special education support staff, maintenance staff and administration staff. The General Fund provides the predominant funding for athletics and transportation. Because of the student enrollment variances experienced by the School District, an emphasis on schools by the New Mexico Legislature, and because the State Equalization Guarantee Formula is based upon student populations, the General Fund (combined Operational, Transportation and Instructional Materials Funds) has experienced growth in revenues as student enrollment has increased.

The Operational Fund is the main fund whose expenditures are significantly related to the educational process; \$12,446,572 was expended in the year ending June 30, 2016. The most significant inter-fund expenditure was for the function noted as "Instruction", which includes direct instruction as well as student and instructional support. This expenditure was \$7,715,800 and represents 62% of all General expenditures. Expenditures included in this function are regular and special education teachers and assistants, benefits, payroll taxes, school supplies, training and miscellaneous instructional related contract services, including special education ancillary staff, and school site administration. Approximately 78% of all Operational Fund expenditures are made for employee salaries, payroll taxes and benefits.

The Office of the Superintendent and the Business Office (general and school administration and technology) represent the overhead support of the entire operations of the District; these programs combined represent 10% of the total Operational Fund. Maintenance accounts for 21% of the General Fund expenditures. Included in the Operation of the Plant expenditures are salaries and benefits for maintenance staff, school custodians, fixed utility costs, maintenance and repairs, maintenance supplies, school custodial supplies, and various equipment maintenance agreements. Additional support for maintenance supplies and projects comes from the voter approved SB9 Fund. The Operational Fund also supports expenditures for non-revenue producing athletics, and non to/from transportation.

Capital Assets

Because of aging facilities, the District is committed to maintaining existing facilities.

Asset Type	Balance June 30, 2015	Balance June 30, 2016
Land Improvements	54,684	65,127
Furniture, Fixtures & Equipment	5,623,509	5,670,696
Building and Building Improvements	41,822,518	42,282,122
Construction in Progress	6,158,723	25,726,362
Total Capital Assets	53,659,434	73,744,307
Less Accumulated Depreciation	(28,508,688)	(29,793,295)
Capital Assets-Net	25,150,746	43,951,012

During fiscal year 2016, the District expended \$19,773,410 for all capital outlay, of which \$19,567,639 was for construction of Shiwi Ts'ana Elementary School. Depreciation expense totaled \$1,361,442 for the year.

General Long Term Debt

Article IX, Section 11 of the New Mexico Constitution limits the power of a school district to incur general obligation debt beyond a school year unless such debt is for "the purpose of erecting, remodeling, making additions, and furnishing buildings or purchasing or improving school grounds for purchasing computer software or hardware for student use in public classrooms or any combination of these purposes." The approval of debt is subject to a vote of the local elector and may not exceed 6% of the assessed valuation of the taxable property within the District.

The School District has never defaulted on any of its debts or other obligations. Listed below are the District's annual amounts to amortize the General Obligation and Special Revenue Bonds, including interest payments, as of June 30, 2016. In June 2012 the district refinanced a portion of the teacherage bond debt at a lower interest rate in order to reduce the interest due on the debt. The old debt to New Mexico Finance Authority was paid off and new debt was issued with Bank of Albuquerque being the holder of the bonds.

Year Ended June 30	Principal	Interest	Totals
2017	455,000	244,300	699,300
2018	465,000	230,713	695,713
2019	475,000	216,193	691,193
2020	490,000	201,269	691,269
2021	505,000	185,868	690,868
2022-2026	2,800,000	659,600	3,459,600
2027-2029	1,850,000	424,413	2,274,413
Total	7,040,000	2,162,356	9,202,356

During the year ended June 30, 2016, the District made principal payments of \$450,000.

Agency Funds

The District, as a custodian, maintains and monitors special funds on the behalf of school activity groups. Agency funds maintained by the District are to benefit a specific activity or interest and are generally raised by students for student use. The custody and use of these funds are in accordance with State Department of Education Regulations and School District Policy. The Statement of Fiduciary Net Assets has a cash balance of \$219,917 as of June 30, 2016 held on behalf of the students as well as a special account held for student scholarships. This amount represents total fundraiser student support by the community.

Contacting Zuni Public Schools

This financial report is designed to provide our community, taxpayers, investors and creditors with an overview of the Zuni Public Schools District's financial condition and to provide accountability for the funds the School District receives. If you have questions about our report or about the operations of the Zuni Public School District, please visit our web site at <http://www.zpsd.org>, or contact us at:

Zuni Public Schools Central Office
P O Drawer A
Zuni, NM 87327
PHONE: 505-782-5511
FAX:505-782-5870

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BASIC FINANCIAL STATEMENTS

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF NET POSITION
 JUNE 30, 2016

Exhibit A-1

	Governmental Activities
ASSETS	
<i>Current Assets</i>	
Cash and cash equivalents	1,713,763
Receivables (net of allowance for uncollectibles)	1,008,526
Inventory	147,111
<i>Total current assets</i>	<u>2,869,400</u>
<i>Noncurrent assets</i>	
Restricted cash	773,402
Capital assets (net of accumulated depreciation)	
Land and land improvements	65,127
Buildings and building improvements	42,282,122
Furniture, fixtures and equipment	3,442,625
Vehicles	2,228,071
Construction in progress	25,726,362
Less: accumulated depreciation	<u>(29,793,295)</u>
<i>Total noncurrent assets</i>	<u>44,724,414</u>
DEFERRED OUTFLOWS OF RESOURCES	
Pension - change in assumptions	771,759
Pension - change in proportion	105,226
Pension - employer contributions after measurement date	1,518,865
<i>Total deferred outflows</i>	<u>2,395,850</u>
<i>Total assets and deferred outflows of resources</i>	<u>\$ 49,989,664</u>
LIABILITIES	
<i>Current liabilities</i>	
Accounts payable	\$ 139,457
Accrued payroll liabilities	323,623
Accrued interest payable	104,463
Unearned revenue	103,525
Current maturities of:	
Bonds payable	455,000
Compensated absences	119,261
<i>Total current liabilities</i>	<u>1,245,329</u>
<i>Noncurrent liabilities:</i>	
Bonds payable	6,585,000
Net pension liability	22,437,898
<i>Total noncurrent liabilities</i>	<u>29,022,898</u>
DEFERRED INFLOWS OF RESOURCES	
Pension - change in actuarial experiences	415,978
Pension - change in investment experience	100,998
Pension - change in proportion	596,651
<i>Total deferred inflows</i>	<u>1,113,627</u>
NET POSITION	
Invested in capital assets	36,911,012
Restricted for:	
Debt service	778,903
Capital projects	529,202
Other purposes - special revenue	926,015
Unrestricted	<u>(20,537,322)</u>
<i>Total net position</i>	<u>18,607,810</u>
<i>Total liabilities, deferred inflows of resources, and net position</i>	<u>\$ 49,989,664</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF ACTIVITIES
 FOR THE YEAR ENDED JUNE 30, 2016

Exhibit A-2

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expenses) Revenues and Changes in Net Position</u>
		<u>Charges for Service</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Primary Government					
Governmental activities:					
Instruction	\$ 9,270,663	\$ 55,147	\$ 2,630,894	\$ -	\$ (6,584,622)
Support services:					
Students	1,569,112	-	270,542	-	(1,298,570)
Instruction	346,062	-	-	-	(346,062)
General administration	1,243,705	-	325,257	-	(918,448)
School administration	876,122	-	-	-	(876,122)
Other	884	-	-	-	(884)
Central services	1,141,273	116,797	-	-	(1,024,476)
Operation & maintenance of plant	2,806,041	400,297	-	19,804,086	17,398,342
Student transportation	524,757	-	510,105	-	(14,652)
Food services operations	986,734	16,297	980,699	-	10,262
Community services	-	-	-	-	-
Interest on long-term debt	257,112	-	-	-	(257,112)
Facilities materials, supplies, & other services	439,711	-	252,136	3,257	(184,318)
Depreciation - unallocated	1,361,442	-	-	-	(1,361,442)
Total Primary Government	<u>\$ 20,823,618</u>	<u>\$ 588,538</u>	<u>\$ 4,969,633</u>	<u>\$ 19,807,343</u>	<u>4,541,896</u>

General Revenues:

Property taxes:	
Levied for general purposes	1,094
Levied for debt service	(995)
Levied for capital projects	4,375
State Equalization Guarantee	6,200,477
Unrestricted Federal grants	7,632,441
Unrestricted investment earnings	955
Miscellaneous	209,678
Reversion to State	(11,074)
Total general revenues	<u>14,038,464</u>
Change in net position	<u>18,580,360</u>
Net position - beginning of year	<u>(360,848)</u>
Prior period adjustment	<u>388,298</u>
Net position - beginning of year, restated	<u>27,450</u>
Net position - end of year	<u>\$ 18,607,810</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2016

	General Fund			
	Operational	Teacherage	Transportation	Instructional
	11000	12000	13000	Materials 14000
ASSETS				
<i>Current assets:</i>				
Cash and temporary investments	\$ -	\$ 156,460	\$ 41,065	\$ 209,379
Accounts receivable				
Taxes	280	-	-	-
Due from other governments	-	-	-	-
Interfund receivables	707,669	-	-	-
Other	-	8,060	-	-
Inventory	137,625	-	-	-
<i>Total assets</i>	<u>845,574</u>	<u>164,520</u>	<u>41,065</u>	<u>209,379</u>
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	90,339	20,486	-	-
Accrued payroll liabilities	305,415	2,481	721	-
Interfund payables	-	-	-	-
Unearned revenue	-	-	-	-
<i>Total liabilities</i>	<u>395,754</u>	<u>22,967</u>	<u>721</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	274	-	-	-
Unavailable revenues - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>274</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	137,625	-	-	-
Restricted for:				
Transportation	-	-	40,344	-
Instructional materials	-	-	-	16,680
Grant mandates	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	311,921	141,553	-	192,699
Unassigned	-	-	-	-
<i>Total fund balances</i>	<u>449,546</u>	<u>141,553</u>	<u>40,344</u>	<u>209,379</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 845,574</u>	<u>\$ 164,520</u>	<u>\$ 41,065</u>	<u>\$ 209,379</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2016

	Special Revenue		Capital Projects	
	Title I	IDEA-B	Public	Capital
	IASA	Entitlement	School Capital	Improvements
	24101	24106	Outlay	SB-9
			31200	31700
ASSETS				
<i>Current assets:</i>				
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -
Accounts receivable				
Taxes	-	-	-	1,118
Due from other governments	331,903	218,081	-	134,341
Interfund receivables	-	-	-	-
Other	-	-	-	-
Inventory	-	-	-	-
<i>Total assets</i>	<u>331,903</u>	<u>218,081</u>	<u>-</u>	<u>135,459</u>
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	-	-	-	2,546
Accrued payroll liabilities	-	-	-	-
Interfund payables	331,903	215,059	-	47,983
Unearned revenue	-	3,022	-	-
<i>Total liabilities</i>	<u>331,903</u>	<u>218,081</u>	<u>-</u>	<u>50,529</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	-	-	-	1,095
Unavailable revenues - other	-	-	-	134,341
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>135,436</u>
FUND BALANCES				
Nonspendable	-	-	-	-
Restricted for:				
Transportation	-	-	-	-
Instructional materials	-	-	-	-
Grant mandates	-	-	-	-
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	-	-	-	-
Unassigned	-	-	-	(50,506)
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(50,506)</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 331,903</u>	<u>\$ 218,081</u>	<u>\$ -</u>	<u>\$ 135,459</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 BALANCE SHEET
 GOVERNMENTAL FUNDS
 JUNE 30, 2016

	Debt Service 41000	Other Governmental Funds	Total Primary Government
ASSETS			
<i>Current assets:</i>			
Cash and temporary investments	\$ 770,520	\$ 1,309,741	\$ 2,487,165
Accounts receivable			
Taxes	1,803	3,698	6,899
Due from other governments	-	309,242	993,567
Interfund receivables	-	152,689	860,358
Other	-	-	8,060
Inventory	-	9,486	147,111
<i>Total assets</i>	<u>772,323</u>	<u>1,784,856</u>	<u>4,503,160</u>
LIABILITIES			
<i>Current liabilities:</i>			
Accounts payable	-	26,086	139,457
Accrued payroll liabilities	-	15,006	323,623
Interfund payables	-	265,413	860,358
Unearned revenue	-	100,503	103,525
<i>Total liabilities</i>	<u>-</u>	<u>407,008</u>	<u>1,426,963</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues - property taxes	1,803	3,698	6,870
Unavailable revenues - other	-	-	134,341
<i>Total deferred inflows of resources</i>	<u>1,803</u>	<u>3,698</u>	<u>141,211</u>
FUND BALANCES			
Nonspendable	-	9,486	147,111
Restricted for:			
Transportation	-		40,344
Instructional materials	-		16,680
Grant mandates	-	415,181	415,181
Capital projects	-	260,526	260,526
Debt service	-	2,882	2,882
Assigned	770,520	716,934	2,133,627
Unassigned	-	(30,859)	(81,365)
<i>Total fund balances</i>	<u>770,520</u>	<u>1,374,150</u>	<u>2,934,986</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 772,323</u>	<u>\$ 1,784,856</u>	<u>\$ 4,503,160</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 GOVERNMENTAL FUNDS
 RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET POSITION
 JUNE 30, 2016

Exhibit B-2

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Total fund balances - governmental funds	\$ 2,934,986
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.	
The cost of capital assets is	73,744,307
Accumulated depreciation is	(29,793,295)
Contributions to the pension plan are expensed in the governmental funds but are deferred outflows for government-wide statements.	1,518,865
Revenues not collected within sixty days after year-end are considered "available" revenues and are shown as deferred revenues on the balance sheet.	
Delinquent property taxes	6,870
State revenues	134,341
Deferred outflows and inflows of resources related to pensions are applicable to future periods and therefore, are not reported in governmental funds.	
Deferred outflows of resources related to change in assumptions	771,759
Deferred outflows of resources related to change in proportion	105,226
Deferred inflows of resources related to actuarial experience	(415,978)
Deferred inflows of resources related to investment experience	(100,998)
Deferred inflows of resources related to change in proportion	(596,651)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported as liabilities in governmental funds. Long-term and other liabilities at year-end consist of:	
Accrued interest payable	(104,463)
Bonds payable	(7,040,000)
Accrued compensated absences	(119,261)
Net pension liability	<u>(22,437,898)</u>
Total net position - governmental activities	<u>\$ 18,607,810</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES
 GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

Exhibit B-3

	General Fund			
	Operational 11000	Teacherage 12000	Transportation 13000	Instructional Materials 14000
<i>Revenues:</i>				
Property taxes	\$ 1,097	\$ -	\$ -	\$ -
State grants	6,200,477	-	510,105	91,226
Federal grants	6,302,518	-	-	-
Miscellaneous	15,459	-	-	-
Charges for services	121,591	400,297	-	-
Investment income	8	-	-	-
<i>Total revenues</i>	<u>12,641,150</u>	<u>400,297</u>	<u>510,105</u>	<u>91,226</u>
<i>Expenditures:</i>				
Current:				
Instruction	6,487,353	-	-	-
Support services				
Students	1,045,825	-	-	-
Instruction	182,622	-	-	-
General administration	530,720	-	-	-
School administration	837,201	-	-	-
Central services	764,048	-	-	-
Operation & maintenance of plant	2,555,015	259,576	-	-
Student transportation	42,904	-	480,834	-
Other support services	884	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	14,681	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>12,446,572</u>	<u>274,257</u>	<u>480,834</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>194,578</u>	<u>126,040</u>	<u>29,271</u>	<u>91,226</u>
<i>Other financing sources (uses):</i>				
Operating transfers	(338,662)	(100,000)	(11,074)	-
<i>Total other financing sources (uses)</i>	<u>(338,662)</u>	<u>(100,000)</u>	<u>(11,074)</u>	<u>-</u>
<i>Net changes in fund balances</i>	(144,084)	26,040	18,197	91,226
<i>Fund balances - beginning of year</i>	<u>593,630</u>	<u>115,513</u>	<u>22,147</u>	<u>118,153</u>
<i>Fund balances - end of year</i>	<u>\$ 449,546</u>	<u>\$ 141,553</u>	<u>\$ 40,344</u>	<u>\$ 209,379</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

Exhibit B-3

	Special Revenue		Capital Projects	
	Title I	IDEA-B	Public	Capital
	IASA 24101	Entitlement 24106	School Capital Outlay 31200	Improvements SB-9 31700
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ 4,389
State grants	-	-	19,170,648	499,097
Federal grants	1,318,777	497,941	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>1,318,777</u>	<u>497,941</u>	<u>19,170,648</u>	<u>503,486</u>
<i>Expenditures:</i>				
Current:				
Instruction	612,512	425,556	-	-
Support services				
Students	133,111	45,135	-	-
Instruction	114,425	-	-	-
General administration	54,807	27,250	-	44
School administration	9,353	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	1,537	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	19,170,648	394,846
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>925,745</u>	<u>497,941</u>	<u>19,170,648</u>	<u>394,890</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>393,032</u>	<u>-</u>	<u>-</u>	<u>108,596</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	393,032	-	-	108,596
<i>Fund balances - beginning of year</i>	(393,032)	-	-	(159,102)
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (50,506)</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

Exhibit B-3

	Debt Service 41000	Other Governmental Funds	Total Primary Government
<i>Revenues:</i>			
Property taxes	\$ -	\$ -	\$ 5,486
State grants	-	848,468	27,320,021
Federal grants	-	3,514,083	11,633,319
Miscellaneous	-	177,700	193,159
Charges for services	-	66,650	588,538
Investment income	501	446	955
<i>Total revenues</i>	<u>501</u>	<u>4,607,347</u>	<u>39,741,478</u>
<i>Expenditures:</i>			
Current:			
Instruction	-	1,880,912	9,406,333
Support services			
Students	-	341,591	1,565,662
Instruction	-	48,222	345,269
General administration	-	628,540	1,241,361
School administration	-	27,343	873,897
Central services	-	374,686	1,138,734
Operation & maintenance of plant	-	2,641	2,818,769
Student transportation	-	-	523,738
Other support services	-	-	884
Food services operations	-	996,831	996,831
Community services	-	-	-
Capital outlay	-	432,542	20,012,717
Debt service			
Principal	450,000	-	450,000
Interest	257,112	-	257,112
<i>Total expenditures</i>	<u>707,112</u>	<u>4,733,308</u>	<u>39,631,307</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(706,611)</u>	<u>(125,961)</u>	<u>110,171</u>
<i>Other financing sources (uses):</i>			
Operating transfers	685,381	(246,719)	(11,074)
<i>Total other financing sources (uses)</i>	<u>685,381</u>	<u>(246,719)</u>	<u>(11,074)</u>
<i>Net changes in fund balances</i>	(21,230)	(372,680)	99,097
<i>Fund balances - beginning of year</i>	<u>791,750</u>	<u>1,746,830</u>	<u>2,835,889</u>
<i>Fund balances - end of year</i>	<u>\$ 770,520</u>	<u>\$ 1,374,150</u>	<u>\$ 2,934,986</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

Exhibit B-4

ZUNI PUBLIC SCHOOLS

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2016**

	<u>Governmental Funds</u>
Amounts reported for governmental activities in the Statement of Activities are different because:	
Net change in fund balances - total governmental funds	\$ 99,097
Capital outlays to purchase or build capital assets are reported in governmental funds as expenditures. However, for governmental activities those costs are shown in the Statement of Net Position and allocated over their estimated useful lives as annual depreciation expenses in the Statement of Activities. This is the amount by which depreciation exceeds capital outlays for the period.	
Depreciation expense	(1,361,442)
Capital outlays	19,773,410
Revenues not collected within 60 days after the fiscal year-end are not considered available revenues in the governmental funds. They are considered revenues in the Statement of Activities. The increase (decrease) in revenues receivable for the year end were:	
Unavailable revenue related to the property taxes receivable	(1,012)
Other unavailable revenues	(325,414)
In the Statement of Activities, certain operating expenses - compensated absences and interest expense - are measured by the amounts incurred during the year. In the fund financial statements, however, expenditures are measured by the amount of financial resources used (essentially the amounts actually paid). The (increases) decreases in the liabilities for the year were:	
Accrued interest payable	5,367
Accrued compensated absences	(21,539)
Repayment of debt principal is an expenditure in the governmental funds, but it reduces long-term liabilities in the Statement of Net Position and does not affect the Statement of Activities.	
Bond principle payments	450,000
Governmental funds report district pension contributions as expenditures. However, in the Statement of Activities, the pension benefits earned net of employee contributions is reported as pension expense.	
Difference between prior year pension contributions per entity and amount reported in the pension report	597
Pension contributions - current year	1,518,865
Pension expense	<u>(1,557,569)</u>
Change in net position - total governmental activities	<u>\$ 18,580,360</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 OPERATIONAL FUND (11000)
 FOR THE YEAR ENDING JUNE 30, 2016

Exhibit C-1

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ 1,137	\$ 1,137	\$ 1,091	\$ (46)
State grants	6,746,500	6,205,606	6,200,477	(5,129)
Federal grants	5,622,858	6,372,899	6,305,427	(67,472)
Miscellaneous	5,100	5,100	15,459	10,359
Charges for services	113,999	113,999	121,591	7,592
Interest	-	-	8	8
<i>Total revenues</i>	<u>12,489,594</u>	<u>12,698,741</u>	<u>12,644,053</u>	<u>(54,688)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	6,546,582	6,705,694	6,514,967	190,727
Support services				
Students	1,140,116	1,124,386	1,048,440	75,946
Instruction	155,458	195,005	182,622	12,383
General administration	490,167	561,167	510,119	51,048
School administration	878,365	869,548	840,408	29,140
Central services	839,614	871,637	758,862	112,775
Operation & maintenance of plant	2,517,374	2,702,903	2,526,063	176,840
Student transportation	43,500	43,500	42,904	596
Other support services	28,590	28,590	3,838	24,752
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>12,639,766</u>	<u>13,102,430</u>	<u>12,428,223</u>	<u>674,207</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(150,172)</u>	<u>(403,689)</u>	<u>215,830</u>	<u>619,519</u>
<i>Other financing sources (uses):</i>				
Designated cash	150,172	403,689	-	(403,689)
Operating transfers	-	-	(338,662)	(338,662)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>150,172</u>	<u>403,689</u>	<u>(338,662)</u>	<u>(742,351)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(122,832)</u>	<u>(122,832)</u>
<i>Cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>830,501</u>	<u>830,501</u>
Prior period adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>830,501</u>	<u>830,501</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 707,669</u>	<u>\$ 707,669</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (122,832)	
Adjustments to revenues			(2,902)	
Adjustments to expenditures			(18,350)	
Net change in fund balance (GAAP basis)			<u>\$ (144,084)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
TEACHERAGE FUND (12000)
FOR THE YEAR ENDING JUNE 30, 2016

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	346,000	346,000	398,493	52,493
Interest	-	-	-	-
<i>Total revenues</i>	<u>346,000</u>	<u>346,000</u>	<u>398,493</u>	<u>52,493</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	270,644	270,644	255,144	15,500
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	100,000	100,000	10,443	89,557
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>370,644</u>	<u>370,644</u>	<u>265,587</u>	<u>105,057</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(24,644)</u>	<u>(24,644)</u>	<u>132,906</u>	<u>157,550</u>
<i>Other financing sources (uses):</i>				
Designated cash	24,644	24,644	-	(24,644)
Operating transfers	-	-	(100,000)	(100,000)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>24,644</u>	<u>24,644</u>	<u>(100,000)</u>	<u>(124,644)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>32,906</u>	<u>32,906</u>
<i>Cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>123,554</u>	<u>123,554</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>123,554</u>	<u>123,554</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 156,460</u>	<u>\$ 156,460</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 32,906	
Adjustments to revenues			1,804	
Adjustments to expenditures			(8,670)	
Net change in fund balance (GAAP basis)			<u>\$ 26,040</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
TRANSPORTATION FUND (13000)
FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	492,183	510,105	510,105	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>492,183</u>	<u>510,105</u>	<u>510,105</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	492,183	521,179	480,113	41,066
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>492,183</u>	<u>521,179</u>	<u>480,113</u>	<u>41,066</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(11,074)</u>	<u>29,992</u>	<u>41,066</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	11,074	-	(11,074)
Operating transfers	-	-	(11,074)	(11,074)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>11,074</u>	<u>(11,074)</u>	<u>(22,148)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>18,918</u>	<u>18,918</u>
<i>Cash or fund balance - beginning of year</i>	-	-	22,147	22,147
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>22,147</u>	<u>22,147</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 41,065</u>	<u>\$ 41,065</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 18,918	
Adjustments to revenues			-	
Adjustments to expenditures			(721)	
Net change in fund balance (GAAP basis)			<u>\$ 18,197</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
INSTRUCTIONAL MATERIALS FUND (14000)
FOR THE YEAR ENDING JUNE 30, 2016

Exhibit C-4

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	74,546	74,546	91,226	16,680
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>74,546</u>	<u>74,546</u>	<u>91,226</u>	<u>16,680</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	191,656	191,656	-	191,656
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>191,656</u>	<u>191,656</u>	<u>-</u>	<u>191,656</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(117,110)</u>	<u>(117,110)</u>	<u>91,226</u>	<u>208,336</u>
<i>Other financing sources (uses):</i>				
Designated cash	117,110	117,110	-	(117,110)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>117,110</u>	<u>117,110</u>	<u>-</u>	<u>(117,110)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>91,226</u>	<u>91,226</u>
<i>Cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>118,153</u>	<u>118,153</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>118,153</u>	<u>118,153</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 209,379</u>	<u>\$ 209,379</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 91,226	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 91,226</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
TITLE I IASA SPECIAL REVENUE FUND (24101)
FOR THE YEAR ENDING JUNE 30, 2016

Exhibit C-5

	<u>Budgeted Amounts</u>			
	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Variance</u>
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	1,038,918	1,189,542	1,075,408	(114,134)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>1,038,918</u>	<u>1,189,542</u>	<u>1,075,408</u>	<u>(114,134)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	667,608	808,858	617,781	191,077
Support services				
Students	122,147	134,147	133,111	1,036
Instruction	109,586	114,426	114,425	1
General administration	139,577	118,861	54,807	64,054
School administration	-	11,250	9,353	1,897
Central services	-	-	-	-
Operation & maintenance of plant	-	2,000	1,537	463
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,038,918</u>	<u>1,189,542</u>	<u>931,014</u>	<u>258,528</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>144,394</u>	<u>144,394</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>144,394</u>	<u>144,394</u>
<i>Cash or fund balance - beginning of year</i>	-	-	(476,297)	(476,297)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(476,297)</u>	<u>(476,297)</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (331,903)</u>	<u>\$ (331,903)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 144,394	
Adjustments to revenues			243,369	
Adjustments to expenditures			5,269	
Net change in fund balance (GAAP basis)			<u>\$ 393,032</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
IDEA-B ENTITLEMENT SPECIAL REVENUE FUND (24106)
FOR THE YEAR ENDING JUNE 30, 2016

Exhibit C-6

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	352,498	668,278	328,403	(339,875)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Interest	-	-	-	-
<i>Total revenues</i>	<u>352,498</u>	<u>668,278</u>	<u>328,403</u>	<u>(339,875)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	334,311	559,041	425,556	133,485
Support services				
Students	-	60,772	45,135	15,637
Instruction	-	-	-	-
General administration	18,187	48,465	27,250	21,215
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>352,498</u>	<u>668,278</u>	<u>497,941</u>	<u>170,337</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(169,538)</u>	<u>(169,538)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(169,538)</u>	<u>(169,538)</u>
<i>Cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(45,521)</u>	<u>(45,521)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(45,521)</u>	<u>(45,521)</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (215,059)</u>	<u>\$ (215,059)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (169,538)	
Adjustments to revenues			169,538	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
AGENCY FUNDS
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
JUNE 30, 2016

Exhibit D-1

	<u>Agency Funds</u>
ASSETS	
<i>Current Assets</i>	
Cash	\$ 219,917
<i>Total assets</i>	<u>219,917</u>
 LIABILITIES	
<i>Current Liabilities</i>	
Deposits held in trust for others	219,917
<i>Total liabilities</i>	<u>\$ 219,917</u>

The accompanying notes are an integral part of these financial statements.

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**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 Summary of Significant Accounting Policies

Zuni Public School District (the “District”) is a public school District governed by an elected five-member Board of Education created under the provision of Chapter 22 Article 5, Paragraph 4, New Mexico Statutes 1978 to provide public education for the children within the District boundaries. The Board of Education is the basic level of government, which has oversight responsibility and control over all activities related to public elementary and secondary school education within its jurisdiction. The District receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities.

This summary of significant accounting policies of the District is presented to assist in the understanding of the District’s financial statements. The financial statements and notes are the representation of the District’s management that is responsible for the financial statements. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard setting body for establishing governmental accounting financial reporting principles. The financial statements have incorporated all applicable GASB pronouncements as well as Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins of the Committee on accounting procedures issued on or before November 30, 1989 unless those pronouncements conflict with or contradict GASB pronouncements. Governments also have the option of following subsequent private-sector guidance for their government-wide financial statements, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

During the year ended June 30, 2016, the District adopted GASB Statement No. 71 *Fair Value Measurement and Application*, GASB Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, and GASB Statement No. 79 *Certain External Investment Pools and Pool Participants*. The provisions of GASB No. 71 provide guidance for determining a fair value measurement for financial reporting purposes to enhance comparability of financial statements among governments. The provisions of GASB No. 76 identify – in the context of the current governmental financial reporting environment – the hierarchy of generally accepted accounting principles (GAAP) which supersedes Statement No. 55. The Provisions of GASB No. 79 address accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. These pronouncement are not expected to have a material effect on the District.

The more significant accounting policies of the District are described below.

A. Financial Reporting Entity

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include any potential component units in the financial reporting entity was made by applying the criteria set forth in GASB Statements No. 14 and No. 39. GASB Statement No. 61 modifies certain requirements for inclusion of component units in the financial reporting entity. Blended component units, although legally separate entities, are in substance part of the government’s operations. Each discretely presented component unit is reported in a separate column in the government-wide financial statements to emphasize that it is legally separate from the government.

The basis, but not the only criterion for including a potential component unit within the reporting entity, is the governing body’s ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations, and accountability for fiscal matters. A second criteria used in evaluating potential component units is the scope of public service. Application of this criterion involves considering whether the activity benefits the government and/or its citizens. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the government is able to exercise oversight responsibilities. Finally, the nature and significance of a potential component unit to the primary

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 **Summary of Significant Accounting Policies (Continued)**

A. Financial Reporting Entity

government could warrant its inclusion within the reporting entity. Based upon the application of these criteria, the District does not have a component unit and is not a component unit of another government agency.

B. Government-Wide and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities and changes in net position) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. *Governmental activities*, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

The District reports all direct expenses by function in the statement of activities. Direct expenses are those that are clearly identifiable with a function. The District does not currently employ indirect cost allocation systems. Depreciation expense is specifically identified by function and is included in the direct expense of each function, except for that portion of depreciation that is identified as unallocated on the statement of activities.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed.

Separate financial statements are provided for governmental funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds are reported as separate columns in the fund financial statements.

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as is the fiduciary fund financial statement. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the period for which the taxes are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

GASB No. 63, *Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position*, and GASB No. 65, *Items Previously Reported as Assets and Liabilities*, amend GASB No. 34, *Basic Financial Statements – and Management's Discussion and Analysis for State and Local Governments*, to incorporate deferred outflows of resources and deferred inflows of resources in the financial reporting model.

Deferred Outflows of Resources – a consumption of net position by the government that is applicable to a future reporting period. It has a positive effect on net position, similar to assets; therefore, it is not recognized as an outflow of resources (expense) until then.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

Deferred Inflows of Resources – an acquisition of net position by the government that is applicable to a future reporting period. It has a negative effect on net position, similar to liabilities; therefore, it is not recognized as an inflow of resources (revenue) until that time.

Net Position – the residual of the net effects of assets, deferred outflows of resources, liabilities, and deferred inflows of resources.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Sales and use taxes are classified as derived tax revenues and are recognized as revenue when the underlying exchange takes place and the revenues are measurable and available. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Only the portion of special assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period. All other revenue items are considered to be measurable and available only when cash is received by the government.

Ad valorem taxes (property taxes), and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other grant requirements have been met and the susceptible to accrual criteria have been met. All other revenue items are considered to be measurable and available only when cash is received by the government.

The *agency funds* are custodial in nature (assets equal liabilities) and do not present results of operations or have a measurement focus. Agency funds are accounted for using the accrual basis of accounting. These funds are used to account for assets that the District holds for others in an agency capacity.

Governmental funds are used to account for the District's general government activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. Governmental funds include:

The *General Fund* is the primary operating fund of the District, and accounts for all financial resources of the general government, except those required to be accounted for in other funds. The General Fund includes the Operational, Teacherage, Transportation, and Instructional Materials Funds.

The *Special Revenue Funds* account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

The *Debt Service Funds* account for the services of general long-term debt not being financed by proprietary or nonexpendable trust funds.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The *Capital Projects Funds* account for the acquisition of fixed assets or construction of major capital projects not being financed by proprietary or nonexpendable trust funds.

Under the requirements of GASB Statement No. 34, the District is required to present some of its governmental funds as major funds based upon certain criteria. The major funds presented in the fund financial statements include the following:

The *Operational Fund* (11000) accounts for the primary revenues and expenditures of the District, including, but not limited to, student instruction, student support, instructional support, general administration, school administration, central services, and operations and maintenance of plant. Revenues come from district tax levy, state equalization, and other local, state, and federal sources. This fund is considered by PED to be a sub-fund of the General Fund.

The *Teacherage Fund* (12000) accounts for revenues and expenditures associated with district owned multi-bedroom housing units rented to District employed teachers or other employees. Funding authorized by NMAC 6.20.2 of the New Mexico Department of Education. This fund is considered by PED to be a sub-fund of the General Fund.

The *Transportation Fund* (13000) accounts for state equalization funds authorized by Section 22-8-26, NMSA, 1978 designated for the costs of transporting school-age children who are students within the District. This fund is considered by PED to be a sub-fund of the General Fund.

The *Instructional Materials Fund* (14000) accounts for funding designated for instructional materials purchases as authorized by Sections 22-15-1 through 22-15-14, NMSA, 1978 for the purposes of purchasing instructional materials (books, manuals, periodicals, etc.) used in the education of students. This is considered by PED to be a sub-fund of the General Fund.

The *Title I IASA Special Revenue Fund* (24101) major objectives are to provide supplemental educational opportunity for academically disadvantaged children in the area of residing. Campuses are identified for program participation by the percentage of students on free or reduced price lunches. Any school with a free and reduced price lunch percentage that is equal to or greater than the total district percentage becomes eligible for program participation. Any student whose test scores fall below District established criteria and who is attending a Title I campus is eligible to receive Title I services. Poverty is the criteria that identify a campus; educational need determines the students to be served. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Public Education Department. Authority for creation of this fund is Part A of Chapter I of Title I of Elementary and Secondary Education Act (ESEA) of 1965, as amended, Public Law 103-383.

The *IDEA-B Entitlement Special Revenue Fund* (24106) accounts for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Education Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100,639, and 101-476, 20 U.S.C. 1411-1420.

The *Public School Capital Outlay Capital Projects Fund* (31200) is used to account for funding provided to the District by the State of New Mexico for capital improvement projects approved by the Public School Capital Outlay Council. Funding is authorized by NMAC 6.20.2 through the New Mexico Public Education Department.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 Summary of Significant Accounting Policies (Continued)

C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation (Continued)

The *Capital Improvements SB-9 Capital Projects Fund* (31700) is used to account for erecting, remodeling, making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof as identified by the local school board. Financing is provided by the State of New Mexico's State Equalization Matching and a special tax levy as authorized by the Public School District Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978).

The *Debt Service Fund* (41000) is used to account for the accumulation of resources for the payment of general long-term debt principal and interest.

Additionally, the government reports the following fund types:

The fiduciary funds account for assets held by the District in a trustee capacity or as an agent for individuals, private organizations, other governments and/or other funds. The fiduciary funds are for student activities.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity

Cash and Temporary Investments: The District's cash and cash equivalents are considered to be cash on hand, demand deposits and short-term investments with original maturities of three months or less from the date of acquisition.

State statutes authorize the District to invest in certificates of deposit, obligations of the U.S. Government, and the State Treasurer's Investment Pool.

Investments for the District are reported at fair value. The State Treasurer's Pool operates in accordance with appropriate state laws and regulations. The reported value of the pool is the same as the fair value of the pool shares.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the District. Deposits may be made to the extent that they are insured by an agency of the United States or by collateral deposited as security or by bond.

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States treasury bills of the same maturity on the day of deposit.

Excess of funds may be temporarily invested in securities which are issued by the State or by the United States government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

Restricted Assets: The Debt Service Fund is used to report resources set aside as restricted to make up potential future deficiencies in the revenue bond current debt service account.

Receivables and Payables: Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination upon consolidation. Services provided, deemed to be at market or near market rates, are treated

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (continued)

as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental funds are netted as part of the reconciliation to the government-wide financial statements.

All receivables are reported at their gross value and, where appropriate, are reduced by the estimated portion that is expected to be uncollectible.

The District receives monthly income from a tax levy in McKinley County. The funds are collected by the County Treasurer and are remitted to the District the following month. Under the modified accrual method of accounting, the amount remitted by the McKinley County Treasurer in July and August 2016 is considered 'measurable and available' and, accordingly, is recorded as revenue during the year ended June 30, 2016.

Certain Special Revenue Funds are administered on a reimbursement method of funding, other funds are operated on a cash advance method of funding. The funds incurred the cost and submitted the necessary request for reimbursement or advance, respectively.

Prepaid Items: Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements.

Inventory: The District accounts for its inventories under the consumption method, reporting inventories purchased as an asset. The recognition of the expenditures is deferred until the period in which the inventories are actually consumed. Inventory in the Food Services Fund consists of U.S.D.A. commodities and other purchased food and non-food supplies. The cost of purchased food is recorded as an expenditure at the time individual inventory items are consumed.

Capital Assets: Capital assets, which include property, plant, and equipment, are reported in the applicable governmental column in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation. Information technology equipment, including software, is being capitalized and included in furniture and equipment in accordance with NMAC 2.20.1.9 C (5). Capital expenditures made by the New Mexico Public Schools Facilities Authority are appropriately included in the District's capital assets.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. The District expenses the cost of library books when purchased because their estimated useful life is less than one year.

Major outlays for capital assets and improvements are capitalized as projects are constructed. No interest was included as part of the cost of capital assets under construction during the year ended June 30, 2016.

Property, plant, and equipment of the primary government are depreciated using the straight line method over the following estimated useful lives:

Land improvements	10-30 years
Buildings/building improvements	20-50 years
Furniture and equipment	5-25 years
Vehicles	7-12 years

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (continued)

Deferred Outflows of Resources –Pensions: The government-wide financial statements report pension related expenses and liabilities for the cost-sharing plan one year in arrears, i.e. expenses and liabilities as of June 30, 2015. Contributions of \$1,518,865 made by the District in the current fiscal year are thus applicable to a future reporting period where they will then be expensed. As such, they are presented in the Statement of Net Position as a deferred outflow of resources in the current period. The District may also have three other deferred outflows which arise due to the implementation of GASB 68; change in assumptions \$771,759; change in proportion \$105,226; and change in investment experience (netted with deferred inflows).

Unearned revenues: The District recognizes grant revenue at the time the related expense is made if the expenditure of funds is the prime factor for determining eligibility for reimbursement; therefore, amounts received and not expended in the Special Revenue Funds are shown as unearned revenues. At June 30, 2016, the District's unearned revenues were \$103,525.

Compensated Absences: Applicable for employees not represented by ZFUSE. Vacation leave (annual leave) is an accrued and authorized absence for rest, recreation, or other purposes. Vacation leave will be approved and granted after its accrual and not in advance of accrual. If workloads disallow vacation, the Superintendent may approve vacation days to carry forward into the next contract year. Upon the end of the employment contract, no payment shall be made for more than twenty (20) days of unused vacation (annual leave) for twelve (12) month employees. Total compensated absences were \$119,261 at June 30, 2016.

Vested or accumulated vacation leave that is expected to be liquidated with expendable available financial resources is reported as an expenditure and a fund liability of the governmental fund that will pay it. Amounts of vested or accumulated vacation leave that are not expected to be liquidated with expendable available financial resources are reported in the district-wide statement of net position.

Long-term Obligations: In the government-wide fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities statement of net position. For bonds issued after the fiscal year ended June 30, 2004, bond premiums and discounts, will be deferred and amortized over the life of the bonds using the effective interest method. Bonds payable of \$7,040,000 at June 30, 2016 are reported net of the applicable bond premium or discount. Bond insurance issuance costs will be reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognized bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of the debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Pension Liability: The District records its proportionate share of the difference between the value of total pension liabilities and plan assets for the State of New Mexico's Employee Retirement Board pension plan. For the year ended June 30, 2016, net pension liability totaled \$22,437,898.

Deferred Inflows of Resources – Unavailable Revenues: Governmental funds report unavailable revenues in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Revenues not received within sixty (60) days of year-end are not considered available; therefore, a receivable is recorded for the amount due and a corresponding deferred revenue, is recorded as well. Total unavailable revenues of \$6,870 for property taxes and \$134,341 for grants were recorded at June 30, 2016.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (continued)

Deferred Inflows of Resources - Pensions: Changes in actuarial experience \$415,978, investment experience \$100,998 (netted with deferred outflows), and change in proportion \$596,651 for the District are applicable to a future reporting period and will be expensed over a five-year period beginning in the next fiscal year. As such, these amounts are presented in the Statement of Net Position as deferred inflows of resources in the current period.

Net Position or Fund Equity: Governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

In the government-wide financial statements, fund equity is classified as net position and is displayed in three components:

Net investment in capital assets: Consists of capital assets including restricted capital assets, net of accumulated depreciation, reduced by the outstanding balances of bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets. Deferred outflows of resources and deferred inflows of resources that are attributable to the acquisition, construction, or improvement of those assets or related debt are also included in this component of net position

Restricted Net Position: Consists of net position with constraints placed on the use either by (a) external groups such as creditors, grantors, contributors, or laws or regulation of other governments; or (b) law through constitutional provisions or enabling legislation. Enabling legislation authorizes the government to assess, levy, charge, or otherwise mandate payment of resources (from external resource providers) and includes a legally enforceable requirement that those resources be used only for the specific purposes stipulated in the legislation. The restricted component consists of restricted assets reduced by liabilities and deferred inflows of resources related to those assets.

Unrestricted Net Position: All other net position that does not meet the definition of “restricted” or “invested in capital assets.”

Fund Balance: In the fund financial statements, governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Some governments may not have policies or procedures that are comparable to those policies that underlie the classifications and therefore would not report amounts in all possible fund balance classifications. In the governmental financial statements, fund balance is classified and is displayed in five components:

Nonspendable: Consists of amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact. The “not in spendable form” criterion includes items that are not expected to be converted to cash, for example, inventories and prepaid amounts.

Restricted: Consists of amounts that are restricted to specific purposes as a result of a) externally imposed by creditors (such as through debt covenants), grantors, contributors, or laws or regulations of other governments; or b) imposed by law through constitutional provisions or enabling legislation.

Committed: Consist of amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. Those committed amounts cannot be used for any other purpose unless the government removes or changes the specified use by taking the same type of action (for example, legislation, resolution, ordinance) it employed to previously commit those amounts.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 Summary of Significant Accounting Policies (Continued)

D. Assets, Deferred Outflows of Resources, Liabilities, Deferred Inflows of Resources, and Net Position or Equity (continued)

Assigned: Consist of amounts that are constrained by the government's *intent* to be used for specific purposes, but are neither restricted nor committed. Intent should be expressed by (a) the governing body itself or (b) a body (a budget or finance committee, for example) or official to which the governing body has delegated the authority to assign amounts to be used for specific purposes.

Unassigned: Represents fund balance that has not been assigned to other funds and that has not been restricted, committed, or assigned to specific purposes within the general fund.

Pensions: For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Educational Retirement Board (ERB) and additions to/deductions from ERB's fiduciary net position have been determined on the same basis as they are reported by ERB, on the economic resources measurement focus and accrual basis of accounting. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

E. Revenues

Reclassifications: Certain amounts included in the financial statements have been reclassified to conform to the current year presentation.

Interfund Transactions: Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund from expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the reimbursing fund and as reductions of expenditures/expenses in the fund that is reimbursed.

All other interfund transactions, except quasi-external transactions and reimbursements are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. All other interfund transfers are reported as operating transfers.

Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates. Significant estimates affecting the District's financials include management's estimate of the useful lives of capital assets.

State Equalization Guarantee: School districts in the State of New Mexico receive a 'state equalization guarantee distribution' which is defined as "that amount of money distributed to each school district to insure that the school district's operating revenue, including its local and federal revenues as defined in Chapter 22, Section 825, NMSA 1978 is at least equal to the District's program cost.

A school district's program costs are determined through the use of various formulas using 'program units' which take into consideration 1) early childhood education; 2) basic education; 3) special education; 4) bilingual-multicultural education; 5) size, etc. Payment is made from the public school fund under the authority of the Director of Public School Finance. The District received \$6,200,477 in state equalization guarantee distributions during the year ended June 30, 2016.

Tax Revenues: The District receives mill levy and ad-valorem tax revenues primarily for debt service and capital outlay purposes. Property taxes are assessed on January 1 of each year and are payable in two equal installments, on November 10th of the year in which the tax bill is prepared and April 10th of the following

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 **Summary of Significant Accounting Policies (Continued)**

E. Revenues (continued)

year with the levies becoming delinquent 30 days (one month) thereafter. In the government-wide financial statements, the District recognizes property tax revenues in the period for which they are levied, net of estimated refunds and uncollectible amounts. The District records only the portion of the taxes considered to be 'measurable' and 'available' in the government fund financial statements, which is within 60 days of year-end. Descriptions of the individual debt service and capital outlay funds contained in these financial statements include information regarding the authority for the collection and use of these taxes.

In the financial statements, the mill levy and ad-valorem taxes are broken out into two types: property taxes – residential and commercial and property taxes – oil and gas. Amounts collected from residential and commercial property taxes at June 30, 2016 were \$5,486. Amounts collected from oil and gas taxes were \$0.

Transportation Distribution: School districts in the State of New Mexico receive student transportation distributions. The transportation distribution is allocated to each school district in accordance with formulas developed by the State Transportation Director and the Director of Public School Finance. The funds shall be used only for the purpose of making payments to each school district for the to-and-from school transportation costs of students in grades K through twelve attending public school within the school district. The District received \$510,105 in transportation distributions during the year ended June 30, 2016.

Instructional Materials: The New Mexico Public Education Department (PED) receives federal material leasing funds from which it makes annual allocations to the various school districts for the purchase of educational materials. Of each allocation, fifty percent is restricted to the requisition of materials listed in the State Board of Education "State Adopted Instructional Material" list, while fifty percent of each allocation is available for purchases directly from vendors. Allocations received from the State for the year ended June 30, 2016 totaled \$91,226.

SB-9 State Match: The Director shall distribute to any school district that has imposed a tax under the Public School Capital Improvements Act (22-25-1 to 22-25-10 NMSA 1978) an amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax as specified in Subsection B of Section 22-25-3 NMSA 1978, assuming a one hundred percent collection rate, is less than an amount calculated by multiplying the product obtained by the rate imposed in the District under the Public School Capital Improvements Act. The distribution shall be made by December 1, of each year that the tax is imposed in accordance with Section 22-25-3 NMSA 1978. Provided, however, in the event that sufficient funds are not available in the public school capital improvement funds to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary. The District received \$499,097 in state SB-9 matching during the year ended June 30, 2016.

Public School Capital Outlay: Under the provisions of Chapter 22, Article 24, NMSA 1978. The money in the fund may be used only for capital expenditures deemed by the public school capital outlay council necessary for an adequate educational program per Section 22-24-4(B); core administrative functions of the public school facilities authority and for project management expenses upon approval of the council per Section 22-24-4(G); and for the purpose of demolishing abandoned school district facilities, upon application by a school district to the council, per Section 22-24-4(L).

Money in the fund shall be disbursed by warrant of the Department of Finance and Administration on vouchers signed by the Secretary of Finance and Administration following certification by the council that the application has been approved. During the year ended June 30, 2016, the District received \$19,170,648 in special capital outlay funds.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 1 Summary of Significant Accounting Policies (Continued)

E. Revenues (continued)

Federal Grants: The District receives revenues from various Federal departments (both direct and indirect), which are legally restricted to expenditures for specific purposes. These programs are reported as Special Revenue Funds. Each program operated under its own budget, which has been approved by the federal department or the flowthrough agency (usually the New Mexico Public Education Department). The various budgets are approved by the Local School Board and the New Mexico Public Education Department.

The District also receives reimbursement under the National School Lunch and Breakfast Programs for its food services operations, and the distributions of commodities through the New Mexico Human Services Department.

NOTE 2 Stewardship, Compliance and Accountability

Budgetary Information

Budgets for the General, Special Revenue, Capital Projects, and Debt Service Funds are prepared by management and are approved by the local Board of Education and the School Budget and Planning Unit of the Public Education Department. Auxiliary student activity accounts are not budgeted. Public School Capital Outlay Council expenditures in the Public School Capital Outlay fund are not budgeted at the District level, so there is no budgetary comparison presented.

These budgets are prepared on the non-GAAP cash basis, excluding encumbrances, and secure appropriation of funds for only one year. Carryover funds must be re-appropriated in the budget of the subsequent fiscal year. The budget process in the State of New Mexico requires that the ending cash balance be appropriated in the budget of the subsequent fiscal year.

Actual expenditures may not exceed the budget at the function level, the level of budgetary control for districts. Budgets may be amended in two ways. If a budget transfer is necessary within a major category called a 'series,' this may be accomplished with only local board of education approval. If a transfer between 'series' or a budget increase is required, approval must also be obtained from Public School Finance Division.

The School District follows these procedures in establishing the budgetary data reflected in the financial statements:

1. In April or May, the local school board submits to the District Budget Planning Unit (DBPU) of the New Mexico Public Education Department (PED) (100%) a proposed operating budget for the ensuing fiscal year commencing July 1. The operating budget includes proposed expenditures and the means of financing them. All budgets are submitted to the State of New Mexico PED.
2. In May or June of each year, the proposed "operating" budget will be reviewed and approved by the DBPU and certified and approved by the local school board at a public hearing of which notice has been published by the local school board which fixes the estimated budget for the school district for the ensuing fiscal year.
3. The school board meeting, while not intended for the general public, is open for the general public unless a closed meeting has been called.
4. The "operating" budget will be used by the District until they have been notified that the budget has been approved by the DBPU and the local school board. The budget shall be integrated formally into the accounting system. Encumbrances shall be used as an element of control and shall be integrated into the budget system.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 2 Stewardship, Compliance and Accountability (Continued)

Budgetary Information (Continued)

5. The District shall make corrections, revisions and amendments to the estimated budgets fixed by the local school board to recognize actual cash balances and carryover funds, if any. These adjustments shall be reviewed and approved by the DBPU.
6. The superintendent is authorized to transfer budgeted amounts between departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the school board and the State of New Mexico Public Education Department.
7. Budget change requests are processed in accordance with Supplement 1 (Budget Preparation and Maintenance) of the Manual of Procedures Public School Accounting and Budgeting. Such changes are initiated by the school district and approved by the DBPU.
8. Legal budget control for expenditures is by function.
9. Appropriations lapse at fiscal year-end. Funds unused during the fiscal year may be carried over into the next fiscal year by budgeting those in the subsequent fiscal year's budget. The budget schedules included in the accompanying financial statements reflect the approved budget and amendments thereto.
10. Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds.

The board of education may approve amendments to the appropriated budget, which are required when a change is made affecting budgeted ending fund balance. New Mexico state law prohibits a governmental agency from exceeding an individual line item.

The accompanying Statements of Revenues, Expenditures, and Changes in Fund Balance – Budget (Non-GAAP Budgetary Basis) and Actual present comparisons of the legally adopted budget with actual data on a budgetary basis.

Since accounting principles applied for purposes of developing data on a budgetary basis differ significantly from those used to present financial statements in conformity with generally accepted accounting principles, a reconciliation of resultant basis, perspective, equity, and timing differences in the excess (deficiency) of revenues and other sources of financial resources for the year ended June 30, 2016, is presented on each funds' Statement of Revenue, Expenditures, and Changes in Fund Balance – Budget (non-GAAP Budgetary Basis) and Actual.

NOTE 3 Cash and Cash Equivalents

State statutes authorize the investment of District funds in a wide variety of instruments including certificates of deposit and other similar obligations, state investment pool, money market accounts, and United States Government obligations. All invested funds of the District properly followed State investment requirements as of June 30, 2016.

Deposits of funds may be made in interest or non-interest bearing checking accounts in one or more banks or savings and loan associations within the geographical boundaries of the District. Deposits may be made to the extent that they are insured by an agency of the United States or by collateralized as required by the statute.

The rate of interest in non-demand interest-bearing accounts shall be set by the State Board of Finance, but in no case shall the rate of interest be less than one hundred percent of the asked price on United States treasury bills of the same maturity on the day of deposit.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 3 Cash and Cash Equivalents (Continued)

Excess of funds may be temporarily invested in securities which are issued by the State or by the United States Government, or by their departments or agencies, and which are either direct obligations of the State or the United States or are backed by the full faith and credit of those governments.

The types of collateral allowed are limited to direct obligations of the United States Government and all bonds issued by any agency, district or political subdivision of the State of New Mexico.

According to the Federal Deposit Insurance Corporation, public unit deposits are funds owned by the public unit. Time deposits, savings deposits and interest bearing NOW accounts of a public unit in an institution in the same state will be insured up to \$250,000 in aggregate and separate from the \$250,000 coverage for public unit demand deposits at the same institution.

Deposits

New Mexico state statutes require collateral pledged for deposits in excess of the federal deposit insurance to be delivered, or a joint safekeeping receipt be issued, to the District for at least one half of the amount on deposit with the institution in excess of federal deposit insurance. The schedule listed below will meet the State of New Mexico Office of the State Auditor's requirements in reporting the insured portion of the deposits.

	Wells Fargo Bank	Bank of Albuquerque	Total
Total amounts of deposits	\$ 2,078,920	\$ 932,234	\$ 3,011,154
FDIC coverage	250,000	250,000	500,000
Total uninsured public funds	<u>1,828,920</u>	<u>682,234</u>	<u>2,511,154</u>
Collateral requirement (50% of uninsured public funds)	914,460	341,117	1,255,577
Pledged security	<u>1,179,132</u>	<u>11,299,115</u>	<u>\$ 12,478,247</u>
Total over (under) collateralized	<u>\$ 264,672</u>	<u>\$ 10,957,998</u>	<u>\$ 11,222,670</u>

The funds are maintained in interest bearing and non-interest bearing checking and savings accounts in Wells Fargo Bank and in interest bearing trust funds in Bank of Albuquerque.

The types of collateral allowed are limited by the section 6-10-16, NMSA 1978.

Custodial Credit Risk – Deposits. Custodial credit risk is the risk that in the event of a bank failure the government's deposits may not be returned to it. The government does not have a deposit policy for custodial credit risk, other than following state statutes as put forth in the Public Money Act (Section 6-10-1 to 6-10-63, NMSA 1978).

Deposits – The risk exists when a portion of the District's deposits are not covered by depository insurance and are:

1. Uncollateralized;
2. Collateralized with securities held by the pledging financial institution; or
3. Collateralized with securities held by the pledging financial institution's trust department or agent but not in the depositor's (District's) name.

At June 30, 2016, \$2,511,154 of the District's bank balance of \$3,011,154 was exposed to custodial credit risk as it was uninsured and the collateral was not held in the District's name.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 3 Cash and Cash Equivalents (Continued)

Reconciliation of Cash to the Financial Statements

The carrying amount of deposits and investments shown above are included in the District's Statement of Net Position as follows:

Reconciliation to Statement of Net Position

Governmental Funds - Balance Sheet

Cash and cash equivalents per Exhibit A-1	\$	2,487,165
Statement of Fiduciary Net Position - cash per Exhibit D-1		219,917
Total per financial statements		<u>2,707,082</u>
Add outstanding checks and other reconciling items		<u>304,072</u>
Bank balance of deposits	\$	<u><u>3,011,154</u></u>

The District utilized pooled accounts for their programs and funds. Negative cash balances in individual funds that were part of the pooled accounts should be reclassified as due to/due from accounts in the combining balance sheets at June 30, 2016. Funds in the 24000's are federal funds, 27000's through 31700 funds are non-federal funds. The following individual funds had negative cash balances as of June 30, 2016:

Fund # Special Revenue Funds:

24101	Title I IASA	\$	331,903
24106	IDEA-B Entitlement		215,059
24118	Fresh Fruits and Vegetables		2,473
24132	IDEA-B Results Plan		15,311
24153	English Language Acquisition		8,126
24154	Teacher/Principal Training & Recruiting		12,878
24160	Rural & Low-Income Schools		12,154
24162	Title I School Improvement		2,733
24171	Carl D Perkins Special Projects - Current		9,014
24173	Carl D Perkins Special Projects - Redistribution		400
24183	Carl D Perkins Secondary - Redistribution 2		12,498
27114	New Mexico Reads to Lead K-3 Reading Initiative		3,888
27141	Truancy Initiative PED		10,020
27149	PreK Initiative		66,495
27177	2013 Pre-K Classrooms		91,558
27194	Social Workers for Middle Schools		17,865

Capital Projects Fund:

31700	Capital Improvements SB-9		47,983
	Total	\$	<u><u>860,358</u></u>

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 4 Receivables

Receivables as of June 30, 2016 are as follows:

	Major Funds			
	Operational	Teachergage	Title I	IDEA-B
	11000	12000	IASA 24101	Entitlement 24106
Property taxes	\$ 280	\$ -	\$ -	\$ -
Due from other governments	-	-	331,903	218,081
Other	-	8,060	-	-
Total receivables	\$ 280	\$ 8,060	\$ 331,903	\$ 218,081

	Major Funds			
	Capital	Debt	Other	Total
	Improve. SB-9 31700	Service 41000	Governmental Funds	Governmental Funds
Property taxes	\$ 1,118	\$ 1,803	\$ 3,698	\$ 6,899
Due from other governments	134,341	-	309,242	993,567
Other	-	-	-	8,060
Total receivables	\$ 135,459	\$ 1,803	\$ 312,940	\$ 1,008,526

The above receivables are deemed 100% collectible. In accordance with GASB No. 33, property tax revenues in the amount of \$6,870 and \$134,341 in intergovernmental revenues were not collected within the period of availability.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 5 Interfund Receivables, Payables, and Transfers

“Interfund balances” have primarily been recorded when funds overdraw their share of pooled cash when the District is waiting for grant reimbursements. The composition of interfund balances at June 30, 2016 is as follows:

Governmental Activities	<u>Interfund Receivables</u>	<u>Interfund Payables</u>
Major Funds:		
Operational (11000)	\$ 707,669	\$ -
Title I IASA (24101)	-	331,903
IDEA-B Entitlement (24106)	-	215,059
Capital Improvements SB-9 (31700)	-	47,983
Non-major Funds:		
Fresh Fruits and Vegetables (24118)	-	2,473
IDEA-B Results Plan (24132)	-	15,311
English Language Acquisition (24153)	-	8,126
Teacher/Principal Training & Recruiting (24154)	-	12,878
Rural & Low-Income Schools (24160)	-	12,154
Title I School Improvement (24162)	-	2,733
Carl D Perkins Special Projects - Current (24171)	-	9,014
Carl D. Perkins Special Projects - Redistribution (24173)	-	400
Carl D Perkins Secondary - Redistribution 2 (24183)	-	12,498
Impact Aid Indian Education (25147)	152,689	-
New Mexico Reads to Lead K-3 Reading Initiative (27114)	-	3,888
Truancy Initiative PED (27141)	-	10,020
PreK Initiative (27149)	-	66,495
2013 Pre-K Classrooms (27177)	-	91,558
Social Workers For Middle Schools (27194)	-	17,865
Totals	<u>\$ 860,358</u>	<u>\$ 860,358</u>

All interfund balances are expected to be repaid or closed out within one year.

During the year ended June 30, 2016, the District returned \$11,074 from the Transportation Fund (13000) to the State of New Mexico.

Additionally, \$685,381 was transferred to the Debt Service Fund from Operational, Teacherage, and Bond Building for payment on special revenue bonds.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 5 Interfund Receivables, Payables, and Transfers (Continued)

Governmental Activities	<u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
Operational (11000)	\$ -	\$ 338,662
Teachergage (12000)	-	100,000
Transportation (13000)	-	11,074
Debt Service (41000)	685,381	-
Non-major Funds:		
Bond Building 31100	-	246,719
Totals	<u>\$ 685,381</u>	<u>\$ 696,455</u>

NOTE 6 Capital Assets

A summary of capital assets and changes occurring during the year ended June 30, 2016 follows. Land and construction in progress is not subject to depreciation.

	<u>Balance June 30, 2015</u>	<u>Additions</u>	<u>Deletions</u>	<u>Adjustments</u>	<u>Balance June 30, 2016</u>
Capital assets used in governmental activities:					
Capital assets not being depreciated:					
Land	\$ -	\$ -	\$ -	\$ -	\$ -
Construction in progress	<u>6,158,723</u>	<u>19,567,639</u>	<u>-</u>	<u>-</u>	<u>25,726,362</u>
Total capital assets not being depreciated	<u>6,158,723</u>	<u>19,567,639</u>	<u>-</u>	<u>-</u>	<u>25,726,362</u>
Capital assets being depreciated:					
Land improvements	54,684	10,443	-	-	65,127
Buildings and building improvements	41,822,518	131,442	(28,101)	356,263	42,282,122
Furniture, fixtures, and equipment	3,395,438	63,886	(8,757)	(7,942)	3,442,625
Vehicles	<u>2,228,071</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,228,071</u>
Total capital assets being depreciated	<u>47,500,711</u>	<u>205,771</u>	<u>(36,858)</u>	<u>348,321</u>	<u>48,017,945</u>
Less accumulated depreciation:					
Land improvements	20,425	4,955	-	-	25,380
Buildings and building improvements	23,603,727	1,148,280	(28,101)	(39,977)	24,683,929
Furniture, fixtures, and equipment	2,835,315	158,963	(8,757)	-	2,985,521
Vehicles	<u>2,049,221</u>	<u>49,244</u>	<u>-</u>	<u>-</u>	<u>2,098,465</u>
Total accumulated depreciation	<u>28,508,688</u>	<u>1,361,442</u>	<u>(36,858)</u>	<u>(39,977)</u>	<u>29,793,295</u>
Total capital assets, net of depreciation	<u>\$ 25,150,746</u>	<u>\$ 18,411,968</u>	<u>\$ -</u>	<u>\$ 388,298</u>	<u>\$ 43,951,012</u>

Depreciation expense of \$1,361,442 for the year ended June 30, 2016 was unallocated.

At June 30, 2016, the District is building a new elementary school with remaining estimated commitments of \$1,072,775. However, almost 80% of this commitment will be paid by the State of New Mexico. The District's share of the remaining commitment is approximately \$245,815. The District also did a review of its fixed assets detail and classifications and has made an adjustment to include some assets previously excluded from previous reports. The net change on fixed assets is \$388,298.

The Schedule of Capital Assets Used by Source, and the Schedule of Changes in Capital Assets by Function and Activity have not been prepared because the detailed information is unavailable.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 7 Long-Term Debt

During the year ended June 30, 2016 the following changes occurred in the liabilities reported in the government-wide statement of net position:

	Balance at 06/30/15	Additions	Deletions	Balance at 06/30/16	Due Within One Year
Special Revenue Bonds	\$ 7,490,000	\$ -	\$ 450,000	\$ 7,040,000	\$ 455,000
Compensated Absences	97,722	168,121	146,582	119,261	119,261
Total	\$ 7,587,722	\$ 168,121	\$ 596,582	\$ 7,159,261	\$ 574,261

General Obligations Bonds

General obligation bonds are direct obligations and pledge the full faith and credit of the District. The District has no outstanding general obligation bond as of June 30, 2016.

Issue Date	2012 Series Revenue Bond 6/13/2012	2012A Series Revenue Bond 10/16/2012
Original Issue	\$3,375,000	\$5,130,000
Maturity Date	8/1/2028	8/1/2026
Principal	1-Aug	1-Aug
Interest Rate	1.00%-5.00%	2.75%
Principal/Interest	1-Aug	1-Aug
Interest	1-Feb	1-Feb

Special Revenue Bonds

Special revenue bonds are obligations of the District which are secured by revenues generated by the Teacherage Fund and by revenues generated from Impact Aid funds.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 7 Long-Term Debt (Continued)

The annual requirements to amortize the special revenue bonds as of June 30, 2016, including interest payments are as follows:

Fiscal Year Ending June 30,	Total Revenue Bonds		Total Debt Service
	Principal	Interest	
2017	\$ 455,000	\$ 244,300	\$ 699,300
2018	465,000	230,713	695,713
2019	475,000	216,193	691,193
2020	490,000	201,269	691,269
2021	505,000	185,868	690,868
2022-2026	2,800,000	659,600	3,459,600
2027-2029	1,850,000	424,413	2,274,413
Totals	\$ 7,040,000	\$ 2,162,356	\$ 9,202,356

In prior years, the general fund was typically used to liquidate long-term liabilities other than debt.

Compensated Absences – Administrative employees of the District are able to accrue a limited amount of vacation and other compensatory time during the year. During fiscal year June 30, 2016, compensated absences increased \$21,539 over the prior year accrual. See Note 1 for more details.

Operating Leases – The District leases office equipment, including copy machines and postage meter machines, under short-term cancelable operating leases.

NOTE 8 Unearned Revenues

In accordance with the terms of the various grant agreements within the Special Revenue Funds, revenues received in excess of expenditures carry over to the subsequent years, unless such excess revenues are requested to be returned to the grantor. The District had the following unearned revenues at June 30, 2016:

Fund#	Special Revenue Funds:	Amount
24106	IDEA-B Entitlement	\$ 3,022
24109	IDEA-B Preschool	2,930
24112	IDEA-B Early Intervention Services	300
24171	Carl D Perkins Special Projects	1,685
25131	Johnson O'Malley	34,643
25149	GRADS Child Care CYFD	12,339
25184	Indian Ed Formula Grant	48,606
	Total	\$ 103,525

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 9 Risk Management

The District is a member of the New Mexico Public Schools Insurance Authority (NMPSIA). The Authority was created to provide comprehensive core insurance programs by expanding the pool of subscribers to maximize cost containment opportunities for required insurance coverage. The District pays an annual premium to the NMPSIA based on claim experience and the status of the pool. The Risk Management Program includes workers compensation, general and automobile liability, automobile physical damage, and property and crime coverage. Also included under the risk management program are boiler, machinery and student accident insurance.

The NMPSIA provides coverage for up to a maximum of \$500,000,000 for each property damage claim with a \$750 deductible for each building. General liability coverage is afforded to all employees, volunteers and school board members and the limit is subject to the NMSA Tort Claims Act on a per occurrence basis. The automobile and property liability limit is subject to the provisions of the Tort Claims Act. The crime limit is \$250,000 per occurrence for Faithful Performance. A limit of \$250,000 applies to depositor's forgery, credit card forgery and money orders. A limit of \$100,000 applies to Money and Security, which includes a \$750 deductible.

In case the NMPSIA's assets are not sufficient to meet its liability claims, the agreement provides that subscribers, including the District, cannot be assessed additional premiums to cover the shortfall. As of June 30, 2016, there have been no claims that have exceeded insurance coverage.

NOTE 10 Other Required Individual Fund Disclosures

Generally accepted accounting principles require disclosures as part of the Combined Statements of certain information concerning individual funds including:

- A. Deficit fund balance of individual funds. The following funds reported a deficit fund balance at June 30, 2016:

Fund #	Fund Description	Amount
24118	Fresh Fruits and Vegetables	2,473
27177	2013 PreK Classrooms	24,238
31300	Special Capital Outlay - Local	4,148
31700	Capital Improvements SB-9	50,506
	Total	\$ 81,365

- B. Excess of expenditures over appropriations. No funds exceeded their approved budgetary authority for the year ended June 30, 2016:
- C. Cash appropriations in excess of available cash balance. For the year ended June 30, 2016, the District had no cash appropriations in excess of available cash balance.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 11. General Information on the Pension Plan – Educational Retirement Board

Plan Description. ERB was created by the state's Educational Retirement Act, Section 22-11-1 through 22-11-52, NMSA 1978, as amended, to administer the New Mexico Educational Employees' Retirement Plan (Plan). The Plan is a cost-sharing, multiple employer plan established to provide retirement and disability benefits for certified teachers and other employees of the state's public schools, institutions of higher learning, and agencies providing educational programs. The Plan is a pension trust fund of the State of New Mexico. The New Mexico legislature has the authority to set or amend contribution rates. ERB issues a publicly available financial report and a comprehensive annual financial report that can be obtained at www.nmerb.org.

Benefits Provided. A member's retirement benefit is determined by a formula which includes three component parts: the member's final average salary (FAS), the number of years of service credit, and a 0.0235 multiplier. The FAS is the average of the member's salaries for the last five years of service or any other consecutive five-year period, whichever is greater. A brief summary of Plan coverage provisions follows:

For members employed before July 1, 2010, a member is eligible to retire when one of the following events occurs: the member's age and earned service credit add up to the sum of 75 or more; the member is at least sixty-five years of age and has five or more years of earned service credit; or the member has service credit totaling 25 years or more.

Chapter 288, Laws of 2009 changed the eligibility requirements for new members first employed on or after July 1, 2010. The eligibility for a member who either becomes a new member on or after July 1, 2010, or at any time prior to that date refunded all member contributions and then became, or becomes, reemployed after that date is as follows: the member's age and earned service credit add up to the sum of 80 or more; the member is at least sixty-seven years of age and has five or more years of earned service credit; or the member has service credit totaling 30 years or more.

The benefit is paid as a monthly life annuity with a guarantee that, if the payments made do not exceed the member's accumulated contributions plus accumulated interest, determined as of the date of retirement, the balance will be paid in a lump sum to the member's surviving beneficiary. There are three benefit options available: single life annuity; single life annuity monthly benefit reduced to provide for a 100% survivor's benefit; or single life annuity monthly benefit is reduced to provide for a 50% survivor's benefit.

Retired members and surviving beneficiaries receiving benefits receive an automatic cost of living adjustment (COLA) to their benefit each July 1, beginning in the year the member attains or would have attained age 65 or on July 1 of the year following the member's retirement date, whichever is later. Prior to June 30, 2013 the COLA adjustment was equal to one-half the change in the Consumer Price Index (CPI), except that the COLA shall not exceed 4% nor be less than 2%, unless the change in CPI is less than 2%, in which case, the COLA would equal the change in the CPI, but never less than zero. As of July 1, 2013, for current and future retirees the COLA was immediately reduced until the plan is 100% funded. The COLA reduction was based on the median retirement benefit of all retirees excluding disability retirements. Retirees with benefits at or below the median and with 25 or more years of service credit will have a 10% COLA reduction; their average COLA will be 1.8%. All other retirees will have a 20% COLA reduction; their average COLA will be 1.6%. Once the funding is greater than 90%, the COLA reductions will decrease. The retirees with benefits at or below the median and with 25 or more years of service credit will have a 5% COLA reduction; their average COLA will be 1.9%. All other retirees will have a 10% COLA reduction; their average will be 1.8%. Members on disability retirement are entitled to a COLA commencing on July 1 of the third full year following disability retirement. A member on regular retirement who can prove retirement because of a disability may qualify for a COLA beginning July 1 in the third full year of retirement.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 11 General Information on the Pension Plan – Educational Retirement Board (Continued)

A member is eligible for a disability benefit provided (a) he or she has credit for at least 10 years of service, and (b) the disability is approved by ERB. The monthly benefit is equal to 2% of FAS times years of service, but not less than the smaller of (a) one-third of FAS or (b) 2% of FAS times year of service projected to age 60. The disability benefit commences immediately upon the member's retirement. Disability benefits are payable as a monthly life annuity, with a guarantee that, if the payments made do not exceed the member's accumulated contributions, determined as of the date of retirement, the balance will be paid in a lump sum to the member's surviving beneficiary. If the disabled member survives to age 60, the regular optional forms of payment are then applied.

A member with five or more years of earned service credit on deferred status may retire on disability retirement when eligible under the Rule of 75 or when the member attains age 65.

Contributions. The contribution requirements of defined benefit plan members and the District are established in state statute under Chapter 10, Article 11, NMSA 1978. The requirements may be amended by acts of the legislature. For the fiscal year ended June 30, 2015 and 2014 employers contributed 13.90% of employees' gross annual salary to the Plan. Employees earning \$20,000 or less contributed 7.90% and employees earning more than \$20,000 contributed 10.70% of their gross annual salary. Contributions to the pension plan from the District were \$1,518,865 for the year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: The total ERB pension liability, net pension liability, and sensitivity information were based on an annual actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015, using generally accepted actuarial principles. Therefore, the employer's portion was established as of the measurement date June 30, 2015. At June 30, 2016, the District's reported a liability of \$22,437,898 for its proportionate share of the net pension liability. The District's proportion of the net pension liability is based on the employer contributing entity's percentage of total employer contributions for the fiscal year ended June 30, 2015. The contribution amounts were defined by Section 22-11-21, NMSA 1978. At June 30, 2015, the District's proportion was 0.34641%, which was a decrease of 0.01253% from its proportion measured as June 30, 2014.

For the year ended June 30, 2016, the District recognized pension expense of \$1,557,569. At June 30, 2016, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 11 General Information on the Pension Plan – Educational Retirement Board (Continued)

	Deferred Outflows of Resources	Deferred Inflows of Resources	Net (Inflows) Outflows
Differences between expected and actuarial experience	\$ -	\$ (415,978)	\$ (415,978)
Changes of assumptions	771,759	-	771,759
Net difference between projected and actual earnings on pension plan investments	1,246,564	(1,347,562)	(100,998)
Changes in proportion and differences between Zuni Public School's contributions and proportionate share of contributions	105,226	(596,651)	(491,425)
Zuni Public Schools contributions subsequent to the measurement date	1,518,865	-	1,518,865
Total	<u>\$ 3,642,414</u>	<u>\$ (2,360,191)</u>	<u>\$ 1,282,223</u>

Deferred outflows of resources of related to pensions resulting from the District's contributions subsequent to the measurement date of June 30, 2015 will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30,	
2017	\$ (200,477)
2018	(194,926)
2019	(152,881)
2020	311,642
Thereafter	-
Total	<u>\$ (236,642)</u>

Actuarial Assumptions. As described above, the total ERB pension liability and net pension liability are based on an actuarial valuation performed as of June 30, 2014. The total ERB pension liability was rolled forward from the valuation date to the Plan year ending June 30, 2015 using generally accepted actuarial principles. There were no significant events or changes in benefit provisions that required an adjustment to the roll-forward liabilities as of June 30, 2015. Specifically, the liabilities measured as of June 30, 2015 incorporate the following assumptions:

1. All members with an annual salary of more than \$20,000 will contribute 10.10% during the fiscal year ending June 30, 2014 and 10.7% thereafter.
2. Members hired after June 30, 2013 will have an actuarially reduced retirement benefit if they retire before age 55 and their COLA will be deferred until age 67.
3. COLAs for most retirees are reduced until ERB attains a 100% funded status.
4. These assumptions were adopted by ERB on April 26, 2013 in conjunction with the six-year experience study period ending June 30, 2012.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 11 General Information on the Pension Plan – Educational Retirement Board (Continued)

For the purposes of projecting future benefits, it is assumed that the full COLA is paid in all future years. The actuarial methods and assumptions used to determine contribution rates included in the measurement are as follows:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll
Remaining Period	Amortized – closed 30 years from June 30, 2012 to June 30, 2042
Asset Valuation Method	5 year smoothed market for funding valuation (fair value for financial valuation)
Inflation	3.00%
Salary Increases	Composition: 3% inflation, plus 1.25% productivity increase rate, plus step rate promotional increases for members with less than 10 years of service
Investment Rate of Return	7.75%
Retirement Age	Experience based table of age and service rates
Mortality	90% of RP-2000 Combined Mortality Table with White Collar Adjustment projected to 2014 using Scale AA (one year setback for females)

The long-term expected rate of return on pension plan investments is determined annually using a building-block approach that includes the following: 1) rate of return projections are the sum of current yield plus projected changes in price (valuation, defaults, etc.), 2) application of key economic projections (inflation, real growth, dividends, etc.), and 3) structural themes (supply and demand imbalances, capital flows, etc.). These items are developed for each major asset class. Best estimates of geometric real rates of return for each major asset class included in the Plan’s target asset allocation for 2015 and 2014 for 30- year return assumptions are summarized in the following table:

Asset Class	2015 Long-Term Expected Real Rate of Return	2014 Long-Term Expected Real Rate of Return
Cash	3.25%	1.50%
Treasuries	3.50%	2.00%
IG Corp Credit	4.75%	3.50%
MBS	3.75%	2.25%
Core Bonds	3.98%	2.53%
TIPS	4.00%	2.50%
High Yield Bonds	5.75%	4.50%
Bank Loans	6.00%	5.00%
Global Bonds (Unhedged)	2.25%	1.25%
Global Bonds (Hedged)	2.41%	1.38%
EMD External	6.00%	5.00%
EMD Local Currency	6.75%	5.75%
Large Cap Equities	7.50%	6.25%

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 11 General Information on the Pension Plan – Educational Retirement Board (Continued)

Asset Class	2015 Long-Term Expected Real Rate of Return	2014 Long-Term Expected Real Rate of Return
Small/Mid Cap	7.75%	6.25%
International Equities (Unhedged)	8.00%	7.25%
International Equities (Hedged)	8.47%	7.50%
Emerging International Equities	9.25%	9.50%
Private Equity	9.50%	8.75%
Private Debt	8.00%	8.00%
Private Real Assets	7.75%	7.75%
Real Estate	6.50%	6.25%
Commodities	5.75%	5.00%
Hedge Funds	6.75%	5.50%

Discount rate: A single discount rate of 7.75% was used to measure the total ERB pension liability as of June 30, 2015 and June 30, 2014. This single discount rate was based on the expected rate of return on pension plan investments of 7.75%. Based on the stated assumptions and the projection of cash flows, the Plan’s fiduciary net position and future contributions were projected to be available to finance all projected future benefit payments of current pension plan members. Therefore the long term expected rate of return on Plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

The projection of cash flows used to determine this single discount rate assumed that Plan contributions will be made at the current statutory levels. Additionally, contributions received through the Alternative Retirement Plan (ARP), ERB’s defined contribution plan, are included in the projection of cash flows. ARP contributions are assumed to remain at a level percentage of ERB payroll, where the percentage of payroll is based on the most recent five year contribution history.

Sensitivity of Zuni Public Schools’ proportionate share of the net pension liability to changes in the discount rate. The following table shows the sensitivity of the net pension liability to changes in the discount rate as of the fiscal year end 2015. In particular, the table presents the (employer’s) net pension liability under the current single rate assumption, as if it were calculated using a discount rate one percentage point lower (6.75%) or one percentage point higher (8.75%) than the single discount rate.

	1% Decrease █ (6.75%)	Current Discount Rate █ (7.75%)	1% Increase █ (8.75%)
Zuni Public Schools' proportionate share of the net pension liability	\$ 30,191,691	\$ 22,437,898	\$ 15,923,905

Pension Plan Fiduciary Net Position. Detailed information about the ERB’s fiduciary net position is available in the separately issued audited financial statements as of and for June 30, 2015 and 2014 which are publicly available at www.nmerb.org.

Payables to the Pension Plan. Zuni Public Schools has an outstanding liability of \$170,726 to the pension plan at June 30, 2016 which was paid on July 11, 2016.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 12 Post-Employment Benefits – State Retiree Health Care Plan

Plan Description. Zuni Public Schools contributes to the New Mexico Retiree Health Care Fund, a cost-sharing multiple-employer defined benefit postemployment healthcare plan administered by the New Mexico Retiree Health Care Authority (RHCA). The RHCA provides health care insurance and prescription drug benefits to retired employees of participating New Mexico government agencies, their spouses, dependents, and surviving spouses and dependents. The RHCA Board was established by the Retiree Health Care Act (Chapter 10, Article 7C, NMSA 1978). The Board is responsible for establishing and amending benefit provisions of the healthcare plan and is also authorized to designate optional and / or voluntary benefits like dental, vision, supplemental life insurance, and long-term care policies.

Eligible retirees are: (1) retirees who make contributions to the fund for at least five years prior to retirement and whose eligible employer during that period of time made contributions as a participant in the RHCA plan on the person's behalf unless that person retires before the employer's RHCA effective date, in which event the time period required for employee and employer contributions shall become the period of time between the employer's effective date and the date of retirement; (2) retirees defined by the Act who retired prior to July 1, 1990; (3) former legislators who served at least two years; and (4) former governing authority members who served at least four years.

The RHCA issues a publicly available stand-alone financial report that includes financial statements and required supplementary information for the postemployment healthcare plan. That report and further information can be obtained by writing to the Retiree Health Care Authority at 4308 Carlisle NE, Suite 104, Albuquerque NM 87107.

Funding Policy. The Retiree Health Care Act (Section 10-7C-13 NMSA 1978) authorizes the RHCA Board to establish the monthly premium contributions that retirees are required to pay for healthcare benefits. Each participating retiree pays a monthly premium according to a service based subsidy rate schedule for the medical plus basic life plan plus an additional participation fee of five dollars if the eligible participant retired prior to the employer's RHCA effective date or is a former legislator or former governing authority member. Former legislators and governing authority members are required to pay 100% of the insurance premium to cover their claims and the administrative expenses of the plan. The monthly premium rate schedule can be obtained from the RHCA or viewed on their website at www.nmrhca.state.nm.us.

The employer, employee, and retiree contributions are required to be remitted to the RHCA on a monthly basis. The statutory requirements for the employer and employee contributions can be changed by the New Mexico State Legislature. Employers that choose to become participating employers after January 1, 1998, are required to make contributions to the RHCA fund in the amount determined to be appropriate by the board.

The Retiree Health Care Act (Section 10-7C-15 NMSA 1978) is the statutory authority that establishes the required contributions of participating employers and their employees. For employees that were members of an enhanced retirement plan (state police and adult correctional officer member coverage plan 1; municipal police member coverage plans 3, 4 or 5; municipal fire member coverage plan 3, 4 or 5; municipal detention officer member coverage plan 1; and members pursuant to the Judicial Retirement Act) during the fiscal year ended June 30, 2016, the statute required each participating employer to contribute 2.5% of each participating employee's annual salary; and each participating employee was required to contribute 1.25% of their salary. For employees that were not members of an enhanced retirement plan during the fiscal year ended June 30, 2016, the statute required each participating employer to contribute 2.0% of each participating employee's annual salary; each participating employee was required to contribute 1.0% of their salary. In addition, pursuant to Section 10-7C-15(G) NMSA 1978, at the first session of the Legislature following July 1, 2013, the legislature shall review and adjust the distributions pursuant to Section 7-1-6.1 NMSA 1978 and the employer and employee contributions to the authority in order to ensure the actuarial soundness of the benefits provided under the Retiree Health Care Act.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 12 Post-Employment Benefits – State Retiree Health Care Plan (Continued)

The District's contributions to the RHCA for the years ended June 30, 2016, 2015, and 2014 were \$218,542, \$199,288, and \$210,622 respectively, which equal the required contributions for each year.

NOTE 13 Unavailable Revenues

The District received \$134,341 from Capital Improvement SB-9, Fund 31700, subsequent to year-end. However, these funds were received more than 60 days after year-end. As such, the amount is recorded as a receivable and a deferred inflows of resources in the funds statements; however, for the government-wide statements the amounts are recorded as a receivable and a revenue.

NOTE 14 Concentrations

The District depends on financial resources flowing from, or associated with, both the Federal Government and the State of New Mexico. Because of this dependency, the District is subject to changes in the specific flows of intergovernmental revenues based on modifications to the Federal and State laws and Federal and State appropriations.

NOTE 15 Contingent Liabilities

Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amount, if any, to be immaterial.

The District is involved in various claims and lawsuits arising in the normal course of business. Although the outcome of these lawsuits is not presently determinable, it is the opinion of the District's legal counsel that resolution of these matters will not have a material adverse effect on the financial condition of the District.

NOTE 16 Subsequent Accounting Standard Pronouncements

In June 2015, GASB Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68*, was issued. Effective Date: The provisions of this Statement established requirements for defined benefit pensions that are not within the scope of Statement No. 68 in financial reporting periods beginning after June 15, 2016, and the requirements of this Statement that address financial reporting for assets accumulated for purposes of providing those pensions are effective for fiscal years beginning after June 15, 2015. Earlier application is encouraged. The District is still evaluating how this standard will affect the District.

In June 2015, GASB Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*, was issued. Effective Date: The provisions of this Statement are effective for postemployment benefits other than pensions (other postemployment benefits or OPEB) included in the general purpose external financial reports of state and local governmental OPEB plans for fiscal years beginning after June 15, 2016. Earlier application is encouraged. The District is still evaluating how this standard will affect the District.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 16 Subsequent Accounting Standard Pronouncements (Continued)

In June 2015, GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, was issued. Effective Date: The provisions of this Statement are effective for addressing accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers for fiscal years beginning after June 15, 2017. Earlier application is encouraged. The District is still evaluating how this standard will affect the District.

In August 2015, GASB Statement No. 77, *Tax Abatement Disclosures*, was issued. Effective Date: The provisions of this Statement require governments that enter into tax abatement agreements to disclose relevant information about those agreements and is effective for fiscal years beginning after December 15, 2015. Earlier application is encouraged. The District is still evaluating how this standard will affect the District.

In December 2015, GASB Statement No. 78, *Pensions Provided through Certain Multiple-Employer Defined Benefit Pension Plans*, was issued. Effective Date: The provisions of this Statement amends the scope and applicability of Statement 68 to exclude pensions provided to employees of state or local governmental employers through a cost-sharing multiple-employer defined benefit pension plans and is effective for fiscal years beginning after December 15, 2015. The District is still evaluating how this standard will affect the District.

In January 2016, GASB Statement No. 80, *Blending Requirements for Certain Component Units*—an amendment of GASB Statement No. 14, was issued. Effective Date: The provisions of this Statement amends the blending requirements for the financial statement presentation of component units of all state and local governments. The additional criterion requires blending of a component unit incorporated as a not-for-profit corporation in which the primary government is the sole corporate member. The additional criterion does not apply to component units included in the financial reporting entity pursuant to the provisions of Statement No. 39, *Determining Whether Certain Organizations Are Component Units* and is effective for reporting periods beginning after June 15, 2016. The District is still evaluating how this standard will affect the District.

In March 2016, GASB Statement No. 81, *Irrevocable Split-Interest Agreements*, was issued. Effective Date: The provisions of this Statement requires that a government that receives resources pursuant to an irrevocable split-interest agreement recognize assets, liabilities, and deferred inflows of resources at the inception of the agreement. Furthermore, this Statement requires that a government recognize assets representing its beneficial interests in irrevocable split-interest agreements that are administered by a third party, if the government controls the present service capacity of the beneficial interests. This Statement requires that a government recognize revenue when the resources become applicable to the reporting period and is effective for reporting periods beginning after December 15, 2016. The District is still evaluating how this standard will affect the District.

In March 2016, GASB Statement No. 82, *Pension Issues*—an amendment of GASB Statements No. 67, No. 68, and No. 73, was issued. Effective Date: The provisions of this Statement clarifies that payments that are made by an employer to satisfy contribution requirements that are identified by the pension plan terms as plan member contribution requirements should be classified as plan member contributions for purposes of Statement 67 and as employee contributions for purposes of Statement 68. It also requires that an employer's expense and expenditures for those amounts be recognized in the period for which the contribution is assessed and classified in the same manner as the employer classifies similar compensation other than pensions and is effective for reporting periods after June 15, 2016. The District is still evaluating how this standard will affect the District.

**STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO THE FINANCIAL STATEMENTS
JUNE 30, 2016**

NOTE 17 **Prior Period Adjustment**

During the year ended June 30, 2016, there was a prior period adjustment to the District's capital assets resulting in an increase in net position in the amount of \$388,298. During review of the District's capital assets, it was determined that some items had been excluded from previous listings and other items misclassified between categories.

NOTE 18 **Subsequent Events**

A review of subsequent events through October 03, 2016, which is the date the financial statements were available to be issued, indicated nothing of audit significance.

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REQUIRED SUPPLEMENTARY INFORMATION

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY
EDUCATIONAL RETIREMENT BOARD (ERB) PLAN
LAST 10 FISCAL YEARS*
JUNE 30, 2016

Schedule I

	<u>2016</u>	<u>2015</u>
Zuni Public Schools' proportion of the net pension liability	0.34641%	0.35894%
Zuni Public Schools' proportionate share of the net pension liability	\$22,437,898	\$20,480,141
Zuni Public Schools' covered-employee payroll	\$ 9,458,103	\$ 9,893,605
Zuni Public Schools' proportionate share of the net pension liability as a percentage of covered-employee payroll	237.23%	207.00%
Plan fiduciary net position as a percentage of total pension liability	63.97%	66.54%

* The amounts presented were determined as of June 30. This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the Zuni Public Schools will present information for those years for which information is available.

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF PENSION CONTRIBUTIONS
EDUCATIONAL RETIREMENT BOARD (ERB) PLAN
LAST 10 FISCAL YEARS*
JUNE 30, 2016

Schedule II

	<u>2016</u>	<u>2015</u>
Contractually required contribution	\$ 1,518,865	\$ 1,368,177
Contributions in relation to the contractually required contribution	1,518,865	1,368,177
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
Zuni Public Schools' covered-employee payroll	10,927,045	9,845,896
Contributions as a percentage of covered-employee payroll	13.90%	13.90%

* This schedule is presented to illustrate the requirements to show information for 10 years. However, until a full 10-year trend is compiled, the Zuni Public Schools will present information for those years for which information is available.

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION
EDUCATIONAL RETIREMENT BOARD (ERB) PLAN
JUNE 30, 2016

Changes of benefit terms . The COLA and retirement eligibility benefits changes in recent years are described in the ***Benefits Provided*** section of the financial statement note disclosure ***General Information on the Pension Plan - Educational Retirement Board*** .

Changes of assumptions.

ERB conducts an actuarial experience study for the Plan on a biennial basis. Based on the six-year actuarial experience study presented to the Board of Trustees on June 12, 2015, ERB implemented the following changes in assumptions for fiscal year 2015:

1. Fiscal year 2015 valuation assumptions that changed based on this study:
 - a. Lower wage inflation from 4.25% to 3.75%
 - b. Update mortality tables to incorporate generational improvements
 - c. Minor changes to demographic assumptions
 - e. Remove population growth assumption for projections

2. Assumptions that were not changed:
 - a. Investment return will remain at 7.75%
 - b. Inflation will remain at 3.00%
 - c. Real net return will remain at 4.75%
 - d. COLA will remain at 2.00% per year
 - e. Payroll growth will remain at 3.50%
 - f. Maintain experience-based rates for members who joined by June 30, 2010

See also the ***Actuarial Assumptions*** subsection of the financial statement note disclosure ***General Information on the Pension Plan - Educational Retirement Board*** .

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SUPPLEMENTARY INFORMATION

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NONMAJOR GOVERNMENTAL FUNDS

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR GOVERNMENTAL FUNDS
 JUNE 30, 2016

Statement A-1

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL
ASSETS				
<i>Current assets:</i>				
Cash and temporary investments	\$ 851,039	\$ 455,820	\$ 2,882	\$ 1,309,741
Accounts receivable				
Taxes	-	-	3,698	3,698
Due from other governments	309,242	-	-	309,242
Interfund receivables	152,689	-	-	152,689
Other	-	-	-	-
Inventory	9,486	-	-	9,486
<i>Total assets</i>	<u>1,322,456</u>	<u>455,820</u>	<u>6,580</u>	<u>1,784,856</u>
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	14,538	11,548	-	26,086
Accrued payroll liabilities	15,006	-	-	15,006
Interfund payables	265,413	-	-	265,413
Unearned revenue	100,503	-	-	100,503
<i>Total liabilities</i>	<u>395,460</u>	<u>11,548</u>	<u>-</u>	<u>407,008</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	-	-	3,698	3,698
Unavailable revenues - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>3,698</u>	<u>3,698</u>
FUND BALANCES				
Nonspendable	9,486	-	-	9,486
Restricted for:				
Grant mandates	415,181	-	-	415,181
Capital projects	-	260,526	-	260,526
Debt service	-	-	2,882	2,882
Assigned	529,040	187,894	-	716,934
Unassigned	(26,711)	(4,148)	-	(30,859)
<i>Total fund balances</i>	<u>926,996</u>	<u>444,272</u>	<u>2,882</u>	<u>1,374,150</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 1,322,456</u>	<u>\$ 455,820</u>	<u>\$ 6,580</u>	<u>\$ 1,784,856</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR GOVERNMENTAL FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

Statement A-2

	SPECIAL REVENUE	CAPITAL PROJECTS	DEBT SERVICE	TOTAL
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	848,468	-	-	848,468
Federal grants	3,510,826	3,257	-	3,514,083
Miscellaneous	177,700	-	-	177,700
Charges for services	66,650	-	-	66,650
Investment income	-	446	-	446
<i>Total revenues</i>	<u>4,603,644</u>	<u>3,703</u>	<u>-</u>	<u>4,607,347</u>
<i>Expenditures:</i>				
Current:				
Instruction	1,880,912	-	-	1,880,912
Support services				
Students	341,591	-	-	341,591
Instruction	48,222	-	-	48,222
General administration	628,540	-	-	628,540
School administration	27,343	-	-	27,343
Central services	374,686	-	-	374,686
Operation & maintenance of plant	2,641	-	-	2,641
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	996,831	-	-	996,831
Community services	-	-	-	-
Capital outlay	198,204	234,338	-	432,542
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>4,498,970</u>	<u>234,338</u>	<u>-</u>	<u>4,733,308</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>104,674</u>	<u>(230,635)</u>	<u>-</u>	<u>(125,961)</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	(246,719)	-	(246,719)
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>(246,719)</u>	<u>-</u>	<u>(246,719)</u>
<i>Net changes in fund balances</i>	104,674	(477,354)	-	(372,680)
<i>Fund balances - beginning of year</i>	<u>822,322</u>	<u>921,626</u>	<u>2,882</u>	<u>1,746,830</u>
<i>Fund balances - end of year</i>	<u>\$ 926,996</u>	<u>\$ 444,272</u>	<u>\$ 2,882</u>	<u>\$ 1,374,150</u>

The accompanying notes are an integral part of these financial statements.

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SPECIAL REVENUE FUNDS

SPECIAL REVENUE FUNDS DESCRIPTIONS

The Special Revenue Funds are used to account for Federal, State and Local funded grants. These grants are awarded to the District with the purpose of accomplishing specific educational tasks. Special Revenue Funds include:

Food Services (21000) - This fund is utilized to account for Federal and Local sources of income relating to the food service programs. The Food Service Fund is segregated into two categories, one being the Federal funds and the other being Non-Federal funds. Federal funds consist of National School Lunch Program, which is administered by the State of New Mexico for the purpose of making breakfast and lunch available to all school children and to encourage the domestic consumption of agricultural commodities and other food components. Authority for the creation of this fund is NMSA 22-13-13. No minimum balance required according to legislation.

Athletics (22000) – This fund is used to account for fees generated at athletic activities throughout the School District. The gate receipts are obtained from the general public and are expended in this fund. The authority for creation of this fund is 6.20.2 NMAC. No minimum balance required according to legislation.

Skolnick Foundation (23000) – Accounts for a private donation to be used for scholarships and other projects. No minimum balance required according to legislation.

IDEA-B Preschool (24109) – The objective of the Assistance to States for the Education of Handicapped Children Program is to assist in providing free, appropriate public education to all handicapped children from ages three to five. Federal revenues accounted for in this fund are allocated to the District through the New Mexico Department of Children, Youth and Families. Authority for creation of this fund is Public Law 105-17. No minimum balance required according to legislation.

IDEA-B Early Intervention Services (24112) – To account for a program funded by a Federal grant to assist the District in providing free appropriate public education to all handicapped children. Funding authorized by Individuals with Disabilities Education Act, Part B, Section 611-620, as amended, Public Laws 91-230, 93-380, 94-142, 98-199, 99-457, 100,639, and 101-476, 20 U.S.C. 1411-1420. No minimum balance required according to legislation.

Fresh Fruits and Vegetables (24118) – To assist States, through cash grants, in providing free fresh fruits and vegetables to school children in designated participating schools beginning in school year 2004/2005. Authorized by National School Lunch Act, as amended, 42 U.S.C. 1769. No minimum balance required according to legislation.

IDEA-B “Risk Pool” (24120) – Funding for students with disabilities who are parentally placed in private elementary and secondary schools (“equitable participation services”) located in the school district. No minimum balance required according to legislation.

IDEA-B Results Plan (24132) – This account is to support the individual school site’s Education Plan for Student Success, or areas in need of improvement as identified through an instructional audit. This is a pilot program for the New Mexico Real Results program required by US Dept. of Education of Special Education Programs. Authority for creation of this fund is the NMPED. No minimum balance required according to legislation.

English Language Acquisition (24153) – To provide funds to improve the educational performance of limited English proficient students by assisting the children to learn English and meet State academic content standards. No minimum balance required according to legislation.

Teacher/Principal Training & Recruiting (24154) – To improve the skills of teachers and the quality of instruction in mathematics and science, and also to increase the accessibility of such instruction to all students. No minimum balance required according to legislation. No minimum balance required according to legislation.

Rural & Low-Income Schools (24160) – To provide financial assistance to rural districts to carry out activities to help improve the quality of teaching and learning in their schools. Elementary and Secondary Education Act, Title VI, Part B. No minimum balance required according to legislation.

Title I School Improvement (24162) – To account for funds used to provide financial assistance to districts to purchase and install educational materials and systems to help improve the quality of teaching and learning in their schools. (Authority: PL 100-297) No minimum balance required according to legislation.

Carl D Perkins Special Projects – Current/Redistribution (24171 and 24173) - The objective of this grant is to provide secondary and post-secondary educational institutions the opportunity to develop, implement, and operate programs using different models of curricula that integrate vocational and academic learning. Funds are acquired from federal sources through the New Mexico Department of Education. Authority for creation of this fund is Carl D Perkins Vocational and Applied Technology Education Act of 1990, as amended, Public Law 105-332. No minimum balance required according to legislation.

Carl D Perkins Secondary –Redistribution 2 (24183) – To account for the redistribution of federal funds to provide vocational and technical education for secondary education. (Authority: P.L. 105-332). No minimum balance required according to legislation.

Bilingual Ed Comp School Grants (25109) – To develop school wide programs for limited English proficient students that reform, restructure and upgrade all relevant operations within a school that has a concentration of limited English proficient students. Elementary and Secondary Education Act of 1965, Title VII, Part A. No minimum balance required according to legislation.

Johnson O'Malley (25131) – To provide funding for supplemental programs in special education and the other needs of eligible Native American Indian children. Funding is provided by the Johnson- O'Malley Act of 1934 as amended, Public Law 930638. No minimum balance required according to legislation.

Impact Aid Special Education (25145) – To account for a program funded by a Federal grant to provide financial assistance to local educational agencies (LEAs) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 8002, ESEA), where there are a significant number of children who reside on Federal (including Native American) lands and/or children whose parents are employed on Federal property or in the Uniformed Services (Sections 8003 and 8007, ESEA), where there is a sudden increase in school enrollment as the result of Federal activities (Section 8006, ESEA). To provide disaster assistance for reduced or increased operating costs for replacing or repairing damaged or destroyed support equipment and books and for repairing minor damage to facilities. Funding is authorized by the Elementary and Secondary Education Act, Title VIII, as amended. No minimum balance required according to legislation.

Impact Aid Indian Education (25147) – To account for funding of a Federal program to provide financial assistance to local educational agencies (LEA's) where enrollments or availability of revenue are adversely affected by Federal activities, i.e. where the tax base of a district is reduced through the Federal acquisition of real property (Section 2), or where there are a significant number of children who reside on Federal (including Indian) lands and /or children whose parents are employed on Federal property or in the Uniformed Services (Section 3(a) and 3(b)): where there is a significant decrease (Section 3(c)) or a reduced or increased operating costs (Section 4) in school enrollment as the result of Federal activities; to provide disaster assistance for reduced or increased operating costs (Section 7(a)), for replacing or repairing damaged or destroyed supplies, equipment, and books, and for repairing minor damage to facilities. Funding authorized by Public Law 81-874. No minimum balance required according to legislation.

GRADS Child Care CYFD (25149) – To account for a Public Education Department grant through Children, Youth, and Families Department to provide for the maintenance and expansion of the teen parent programs. Authorized by the School Board and the New Mexico Public Education Department. No minimum balance required according to legislation.

Title XIX Medicaid 3/21 Years (25153) – To provide school-based screening, diagnostic services and other related health services and administrative activities in conformance with the approved Medicaid State Plan in order to improve health and developmental outcomes for children. (P.L. 105-33) No minimum balance required according to legislation.

Indian Education Formula Grant (25184) – To account for a program funded by a Federal grant to develop and carry out supplementary elementary and secondary school programs designed to meet the special educational and culturally related academic needs of Indian children, for example to: 1) Improve academic performance, 2) Reduce school dropout rates and improve attendance, and 3) Integrate the value of cultural education into the school curriculum for Indian children. Funding authorized by Indian Education Act of 1988, Title V, Part C, Subpart 1, as amended, Public Law 100-297 and 93-638, 25 U.S.C. 2601-2606. No minimum balance required according to legislation.

Kellogg Fund/Kellogg Foundation (26121) – This grant will expand evidence-based parent education and family support programs targeting vulnerable families in select New Mexico neighborhoods to promote parental knowledge of child development needs and parental advocacy skills. No minimum balance required according to legislation.

Save the Children (26143) – To account for a grant received by Save the Children, which provides funding to different school programs around New Mexico. No minimum balance required according to legislation.

Dual Credit Instructional Materials (27103) – To purchase college textbooks for students who dual enroll in college credited courses while still attending high school. No minimum balance required according to legislation.

2010 GO Bond Student Library Fund (SB1) (27106) – Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute. No minimum balance required according to legislation.

2012 GO Bond Student Library Fund (SB66) (27107) – Funds used to purchase library books and library supplies for all school sites. Program is authorized by state statute. No minimum balance required according to legislation.

New Mexico Reads to Lead K-3 Reading Initiative (27114) – To account for funds provided by the New Mexico Public Education Department to support legislative initiative to improve reading in grades K-3. No minimum balance required according to legislation.

Technology for Education PED (27117) – The purpose of this grant is to assist the District to develop and implement a strategic, long-term plan for utilizing educational technology in the school system. Funds accounted for in this fund are received from the State of New Mexico. The authority for creation of this fund is NMSA 22-15A-1 to 22-15A-10. No minimum balance required according to legislation.

Truancy Initiative PED (27141) – To account for monies received to help students who are truant from school to be required to perform community service rather than being suspended from school. No minimum balance required according to legislation.

PreK Initiative (27149) – The Pre-K Initiative program provides high-quality early childhood services (in accordance with the NM Pre-K standards) to four year old children in need. Authorized through 32A-23-1 NMSA 1978. No minimum balance required according to legislation.

Indian Education Act (27150) – To account for funding provided by New Mexico Legislature through the New Mexico Public Education Department supporting various Exemplary Culture Based Education programs. No minimum balance required according to legislation.

Beginning Teacher Mentoring Program (27154) – The objective of this program is to provide beginning teachers an effective transition into the teaching profession, retain capable teachers, improve the achievement of students and improve the overall success of the school. Funding is provided by the New Mexico Board of Education. Authority from creation of this fund is NMSA 22-2-8-10. No minimum balance required according to legislation.

Breakfast for Elementary Students (27155) - The 2005 Legislative General Appropriations Act allocated \$475,000 to implement Breakfast in the Classroom for elementary schools in need of improvement based on 2004-2005 AYP designation. No minimum balance required according to legislation.

Kindergarten – Three Plus (27166) - In 2007, Representative Mimi Stewart sponsored House Bill 198 to establish a fund to allow New Mexico public schools and districts to develop a six year pilot project that extends to the school year for kindergarten through third grade by up to two months for participating students to measure the effect of additional time on literacy, numeric and social skills development. No minimum balance required according to legislation.

After School Enrichment Program (27168) – The purpose of this award is to create learning centers that will provide students with a broad range of exceptional, school-linked learning and developmental opportunities, designed to complement the students’ regular academic program. Funding for this program is provided through the NMPED, Special Appropriation Fund. No minimum balance required according to legislation.

2013 Pre-K Classrooms (27177) – To account for funds provided through the Public Education Department to renovate and construct pre-kindergarten classrooms. The funding was made available through Laws of 2013, SB-60, Chapter 226, Section 53. No minimum balance required according to legislation.

NM Grown Fresh Fruits and Vegetables (27183) – To account for funds provided by New Mexico Public Education Department to purchase New Mexico locally grown fresh fruits and vegetables for school meal programs. No minimum balance required according to legislation.

Social Workers for Middle Schools (27194) – to hire a Middle School Social Worker under STARS and will be required to report their performance to the PED as to data collected such as number of students served, number of home visits conducted, truancy and dropout statistics for the district and each middle school assigned and number of suspensions and expulsions. No minimum balance required according to legislation.

Teachers “hard to staff” Stipend (27195) – funding for stipends for teachers in hard to staff areas as specified by legislation for STEM/hard-to-staff teacher recruitment and/or retention stipends. These teacher stipends are \$5,000 per teacher and may only be awarded to teachers who have met the award criteria. Authorization for this stipend is NMPED. No minimum balance required according to legislation.

Nutrition Grant (28127) – To provide funds for nutritional education of students provided through state grants. No minimum balance required according to legislation.

CYFD Child and Adult Care Food Program (28201) – To account for funds to provide summer lunches to community members in New Mexico communities. No minimum balance required according to legislation.

Private Direct Grants (29102) – To account for local grants awarded to provide additional funding for specific projects. No minimum balance required according to legislation.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	Food Services 21000	Athletics 22000	Skolnick Foundation 23000	IDEA-B Preschool 24109	IDEA-B Early Intervention Services 24112
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 94,544	\$ 12,538	\$ 6,508	\$ 2,249	\$ 300
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	-	681	-
Interfold receivables	-	-	-	-	-
Other	-	-	-	-	-
Inventory	9,486	-	-	-	-
<i>Total assets</i>	<u>104,030</u>	<u>12,538</u>	<u>6,508</u>	<u>2,930</u>	<u>300</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfold payables	-	-	-	-	-
Unearned revenue	-	-	-	2,930	300
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,930</u>	<u>300</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	9,486	-	-	-	-
Restricted for:					
Grant mandates	31,911	6,353	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	62,633	6,185	6,508	-	-
Unassigned	-	-	-	-	-
<i>Total fund balances</i>	<u>104,030</u>	<u>12,538</u>	<u>6,508</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 104,030</u>	<u>\$ 12,538</u>	<u>\$ 6,508</u>	<u>\$ 2,930</u>	<u>\$ 300</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
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 JUNE 30, 2016

	Fresh Fruits and Vegetables 24118	IDEA-B "Risk Pool" 24120	IDEA-B Results Plan 24132	English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	15,311	8,126	12,878
Interfold receivables	-	-	-	-	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>-</u>	<u>15,311</u>	<u>8,126</u>	<u>12,878</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfold payables	2,473	-	15,311	8,126	12,878
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>2,473</u>	<u>-</u>	<u>15,311</u>	<u>8,126</u>	<u>12,878</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	-	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	(2,473)	-	-	-	-
<i>Total fund balances</i>	<u>(2,473)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 15,311</u>	<u>\$ 8,126</u>	<u>\$ 12,878</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
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 JUNE 30, 2016

	Rural & Low-Income Schools 24160	Title I School Improvement 24162	Carl D Perkins Special Projects - Current 24171	Carl D Perkins Special Projects - Redistribution 24173	Carl D Perkins Secondary Redistribution 2 24183
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ 2,733	\$ -	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	12,154	-	10,699	400	12,498
Interfold receivables	-	-	-	-	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>12,154</u>	<u>2,733</u>	<u>10,699</u>	<u>400</u>	<u>12,498</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfold payables	12,154	2,733	9,014	400	12,498
Unearned revenue	-	-	1,685	-	-
<i>Total liabilities</i>	<u>12,154</u>	<u>2,733</u>	<u>10,699</u>	<u>400</u>	<u>12,498</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	-	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 12,154</u>	<u>\$ 2,733</u>	<u>\$ 10,699</u>	<u>\$ 400</u>	<u>\$ 12,498</u>

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STATE OF NEW MEXICO
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 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	Bilingual Ed Comp School Grants 25109	Johnson O'Malley 25131	Impact Aid Special Education 25145	Impact Aid Indian Education 25147	GRADS Child Care CYFD 25149
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ 35,161	\$ 102,109	\$ 223,584	\$ 19,935
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	-	-	-
Interfold receivables	-	-	-	152,689	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>35,161</u>	<u>102,109</u>	<u>376,273</u>	<u>19,935</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	7,596
Accrued payroll liabilities	-	518	-	77	-
Interfold payables	-	-	-	-	-
Unearned revenue	-	34,643	-	-	12,339
<i>Total liabilities</i>	<u>-</u>	<u>35,161</u>	<u>-</u>	<u>77</u>	<u>19,935</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	-	22,954	62,612	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	79,155	313,584	-
Unassigned	-	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>102,109</u>	<u>376,196</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ 35,161</u>	<u>\$ 102,109</u>	<u>\$ 376,273</u>	<u>\$ 19,935</u>

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STATE OF NEW MEXICO
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	Title XIX Medicaid 3/21 Years 25153	Indian Ed Formula Grant 25184	Kellogg Fund/ Kellogg Foundation 26121	Save the Children 26143	Dual Credit Instructional Materials 27103
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ 62,098	\$ 48,606	\$ 151,048	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	19,526	-	15,060	-	-
Interfold receivables	-	-	-	-	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>81,624</u>	<u>48,606</u>	<u>166,108</u>	<u>-</u>	<u>-</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	9,789	-	-
Interfold payables	-	-	-	-	-
Unearned revenue	-	48,606	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>48,606</u>	<u>9,789</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	20,649	-	156,319	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	60,975	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total fund balances</i>	<u>81,624</u>	<u>-</u>	<u>156,319</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 81,624</u>	<u>\$ 48,606</u>	<u>\$ 166,108</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
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 NONMAJOR SPECIAL REVENUE FUNDS
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	2010 GO Bond Student Library Fund (SB1) 27106	2012 GO Bond Student Library Fund (SB66) 27107	New Mexico Reads to Lead K-3 Reading Initiative 27114	Technology for Education PED 27117	Truancy Initiative PED 27141
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ -	\$ -	\$ 6,758	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	-	3,888	-	10,020
Interfold receivables	-	-	-	-	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>-</u>	<u>3,888</u>	<u>6,758</u>	<u>10,020</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfold payables	-	-	3,888	-	10,020
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>-</u>	<u>3,888</u>	<u>-</u>	<u>10,020</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	-	-	6,758	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>6,758</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,888</u>	<u>\$ 6,758</u>	<u>\$ 10,020</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
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 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	PreK Initiative 27149	Indian Education Act 27150	Beginning Teacher Mentoring Program 27154	Breakfast for Elementary Students 27155	Kindergarten - Three Plus 27166
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ 13,223	\$ 36,636	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	66,495	15,671	-	-	-
Interfold receivables	-	-	-	-	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>66,495</u>	<u>28,894</u>	<u>36,636</u>	<u>-</u>	<u>-</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfold payables	66,495	-	-	-	-
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>66,495</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	28,894	36,636	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>28,894</u>	<u>36,636</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 66,495</u>	<u>\$ 28,894</u>	<u>\$ 36,636</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	After School Enrichment Program 27168	2013 Pre-K Classrooms 27177	NM Grown Fresh Fruits and Vegetables 27183	Social Workers For Middle Schools 27194	Teachers "hard to staff" Stipends 27195
ASSETS					
<i>Current assets:</i>					
Cash and temporary investments	\$ -	\$ -	\$ -	\$ -	\$ -
Accounts receivable					
Taxes	-	-	-	-	-
Due from other governments	-	67,320	-	17,865	-
Interfold receivables	-	-	-	-	-
Other	-	-	-	-	-
Inventory	-	-	-	-	-
<i>Total assets</i>	<u>-</u>	<u>67,320</u>	<u>-</u>	<u>17,865</u>	<u>-</u>
LIABILITIES					
<i>Current liabilities:</i>					
Accounts payable	-	-	-	-	-
Accrued payroll liabilities	-	-	-	-	-
Interfold payables	-	91,558	-	17,865	-
Unearned revenue	-	-	-	-	-
<i>Total liabilities</i>	<u>-</u>	<u>91,558</u>	<u>-</u>	<u>17,865</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES					
Unavailable revenues - property taxes	-	-	-	-	-
Unavailable revenues - other	-	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Nonspendable	-	-	-	-	-
Restricted for:					
Grant mandates	-	-	-	-	-
Capital projects	-	-	-	-	-
Debt service	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	(24,238)	-	-	-
<i>Total fund balances</i>	<u>-</u>	<u>(24,238)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ 67,320</u>	<u>\$ -</u>	<u>\$ 17,865</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
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 NONMAJOR SPECIAL REVENUE FUNDS
 JUNE 30, 2016

	Nutrition Grant 28127	CYFD Child and Adult Care Food Program 28201	Private Direct Grants 29102	Total
ASSETS				
<i>Current assets:</i>				
Cash and temporary investments	\$ -	\$ 12,314	\$ 20,695	\$ 851,039
Accounts receivable				-
Taxes	-	-	-	-
Due from other governments	-	20,650	-	309,242
Interfold receivables	-	-	-	152,689
Other	-	-	-	-
Inventory	-	-	-	9,486
<i>Total assets</i>	<u>-</u>	<u>32,964</u>	<u>20,695</u>	<u>1,322,456</u>
LIABILITIES				
<i>Current liabilities:</i>				
Accounts payable	-	6,942	-	14,538
Accrued payroll liabilities	-	4,622	-	15,006
Interfold payables	-	-	-	265,413
Unearned revenue	-	-	-	100,503
<i>Total liabilities</i>	<u>-</u>	<u>11,564</u>	<u>-</u>	<u>395,460</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues - property taxes	-	-	-	-
Unavailable revenues - other	-	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES				
Nonspendable	-	-	-	9,486
Restricted for:				
Grant mandates	-	21,400	20,695	415,181
Capital projects	-	-	-	-
Debt service	-	-	-	-
Assigned	-	-	-	529,040
Unassigned	-	-	-	(26,711)
<i>Total fund balances</i>	<u>-</u>	<u>21,400</u>	<u>20,695</u>	<u>926,996</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ -</u>	<u>\$ 32,964</u>	<u>\$ 20,695</u>	<u>\$ 1,322,456</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

Statement B-2

ZUNI PUBLIC SCHOOLS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Food Services 21000	Athletics 22000	Skolnick Foundation 23000	IDEA-B Preschool 24109	IDEA-B Early Intervention Services 24112
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	913,514	-	-	3,551	-
Miscellaneous	-	-	25,000	-	-
Charges for services	16,297	50,353	-	-	-
Investment income	-	-	-	-	-
<i>Total revenues</i>	<u>929,811</u>	<u>50,353</u>	<u>25,000</u>	<u>3,551</u>	<u>-</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	46,140	26,060	3,128	-
Support services					
Students	-	-	-	240	-
Instruction	-	-	-	-	-
General administration	-	-	-	183	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	925,226	-	-	-	-
Community services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>925,226</u>	<u>46,140</u>	<u>26,060</u>	<u>3,551</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>4,585</u>	<u>4,213</u>	<u>(1,060)</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>4,585</u>	<u>4,213</u>	<u>(1,060)</u>	<u>-</u>	<u>-</u>
<i>Fund balances - beginning of year</i>	<u>99,445</u>	<u>8,325</u>	<u>7,568</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 104,030</u>	<u>\$ 12,538</u>	<u>\$ 6,508</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

Statement B-2

ZUNI PUBLIC SCHOOLS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Fresh Fruits and Vegetables 24118	IDEA-B "Risk Pool" 24120	IDEA-B Results Plan 24132	English Language Acquisition 24153	Teacher/Principal Training & Recruiting 24154
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	34,037	-	15,311	34,956	147,554
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment income	-	-	-	-	-
<i>Total revenues</i>	<u>34,037</u>	<u>-</u>	<u>15,311</u>	<u>34,956</u>	<u>147,554</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	-	15,311	17,274	38,206
Support services					
Students	-	-	-	-	-
Instruction	-	-	-	675	-
General administration	-	-	-	2,027	97
School administration	-	-	-	-	5,076
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	36,510	-	-	-	-
Community services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>36,510</u>	<u>-</u>	<u>15,311</u>	<u>19,976</u>	<u>43,379</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,473)</u>	<u>-</u>	<u>-</u>	<u>14,980</u>	<u>104,175</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	<u>(2,473)</u>	<u>-</u>	<u>-</u>	<u>14,980</u>	<u>104,175</u>
<i>Fund balances - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(14,980)</u>	<u>(104,175)</u>
<i>Fund balances - end of year</i>	<u>\$ (2,473)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

Statement B-2

ZUNI PUBLIC SCHOOLS

 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

	Rural & Low-Income Schools 24160	Title I School Improvement 24162	Carl D Perkins Special Projects - Current 24171	Carl D Perkins Special Projects - Redistribution 24173	Carl D Perkins Secondary - Redistribution 2 24183
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	26,533	21,347	41,604	400	12,498
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment income	-	-	-	-	-
<i>Total revenues</i>	<u>26,533</u>	<u>21,347</u>	<u>41,604</u>	<u>400</u>	<u>12,498</u>
<i>Expenditures:</i>					
Current:					
Instruction	18,816	21,347	37,853	400	-
Support services					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	762	-	-	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	12,498
Community services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>19,578</u>	<u>21,347</u>	<u>37,853</u>	<u>400</u>	<u>12,498</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>6,955</u>	<u>-</u>	<u>3,751</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	6,955	-	3,751	-	-
<i>Fund balances - beginning of year</i>	<u>(6,955)</u>	<u>-</u>	<u>(3,751)</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

Statement B-2

ZUNI PUBLIC SCHOOLS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Bilingual Ed Comp School Grants 25109	Johnson O'Malley 25131	Impact Aid Special Education 25145	Impact Aid Indian Education 25147	GRADS Child Care CYFD 25149
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	-
Federal grants	51,589	161,659	172,557	1,525,655	7,596
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment income	-	-	-	-	-
<i>Total revenues</i>	<u>51,589</u>	<u>161,659</u>	<u>172,557</u>	<u>1,525,655</u>	<u>7,596</u>
<i>Expenditures:</i>					
Current:					
Instruction	51,589	132,202	28,686	742,641	-
Support services					
Students	-	5,335	4,593	85,264	-
Instruction	-	-	-	35,898	-
General administration	-	24,122	205,472	288,308	-
School administration	-	-	-	22,267	-
Central services	-	-	-	374,686	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community services	-	-	-	-	-
Capital outlay	-	-	-	-	7,596
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>51,589</u>	<u>161,659</u>	<u>238,751</u>	<u>1,549,064</u>	<u>7,596</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(66,194)</u>	<u>(23,409)</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	(66,194)	(23,409)	-
<i>Fund balances - beginning of year</i>	-	-	168,303	399,605	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 102,109</u>	<u>\$ 376,196</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

Statement B-2

ZUNI PUBLIC SCHOOLS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	Title XIX Medicaid 3/21 Years 25153	Indian Ed Formula Grant 25184	Kellogg Fund/ Kellogg Foundation 26121	Save the Children 26143	Dual Credit Instructional Materials 27103
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-	2,206
Federal grants	98,891	241,574	-	-	-
Miscellaneous	-	-	152,700	-	-
Charges for services	-	-	-	-	-
Investment income	-	-	-	-	-
<i>Total revenues</i>	<u>98,891</u>	<u>241,574</u>	<u>152,700</u>	<u>-</u>	<u>2,206</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	213,610	86,324	-	2,206
Support services					
Students	74,508	-	-	-	-
Instruction	-	3,000	8,649	-	-
General administration	-	24,964	79,898	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	1,752	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>76,260</u>	<u>241,574</u>	<u>174,871</u>	<u>-</u>	<u>2,206</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>22,631</u>	<u>-</u>	<u>(22,171)</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	22,631	-	(22,171)	-	-
<i>Fund balances - beginning of year</i>	<u>58,993</u>	<u>-</u>	<u>178,490</u>	<u>-</u>	<u>-</u>
<i>Fund balances - end of year</i>	<u>\$ 81,624</u>	<u>\$ -</u>	<u>\$ 156,319</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

Statement B-2

ZUNI PUBLIC SCHOOLS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	2010 GO Bond Student Library Fund (SB1) 27106	2012 GO Bond Student Library Fund (SB66) 27107	New Mexico Reads to Lead K-3 Reading Initiative 27114	Technology for Education PED 27117	Truancy Initiative 27141
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	-	-	89,661	-	106,651
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment income	-	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>89,661</u>	<u>-</u>	<u>106,651</u>
<i>Expenditures:</i>					
Current:					
Instruction	-	-	88,803	-	-
Support services					
Students	-	-	-	-	106,651
Instruction	-	-	-	-	-
General administration	-	-	858	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>89,661</u>	<u>-</u>	<u>106,651</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	-	-	-	-
<i>Fund balances - beginning of year</i>	-	-	-	6,758	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,758</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

Statement B-2

ZUNI PUBLIC SCHOOLS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	PreK Initiative 27149	Indian Education Act 27150	Beginning Teacher Mentoring Program 27154	Breakfast for Elementary Students 27155	Kindergarten - Three Plus 27166
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	194,447	15,671	-	-	-
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment income	-	-	-	-	-
<i>Total revenues</i>	<u>194,447</u>	<u>15,671</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>					
Current:					
Instruction	192,598	15,672	-	-	-
Support services					
Students	-	-	-	-	-
Instruction	-	-	-	-	-
General administration	1,849	-	-	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community services	-	-	-	-	-
Capital outlay	-	-	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>194,447</u>	<u>15,672</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	(1)	-	-	-
<i>Fund balances - beginning of year</i>	-	28,895	36,636	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ 28,894</u>	<u>\$ 36,636</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

Statement B-2

ZUNI PUBLIC SCHOOLS

COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR SPECIAL REVENUE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

	After School Enrichment Program 27168	2013 Pre-K Classrooms 27177	NM Grown Fresh Fruits and Vegetables 27183	Social Workers for Middle Schools 27194	Teachers "hard to staff" Stipends 27195
<i>Revenues:</i>					
Property taxes	\$ -	\$ -	\$ -	\$ -	\$ -
State grants	17,044	252,136	-	65,000	85,002
Federal grants	-	-	-	-	-
Miscellaneous	-	-	-	-	-
Charges for services	-	-	-	-	-
Investment income	-	-	-	-	-
<i>Total revenues</i>	<u>17,044</u>	<u>252,136</u>	<u>-</u>	<u>65,000</u>	<u>85,002</u>
<i>Expenditures:</i>					
Current:					
Instruction	17,044	-	-	-	85,002
Support services					
Students	-	-	-	65,000	-
Instruction	-	-	-	-	-
General administration	-	-	-	-	-
School administration	-	-	-	-	-
Central services	-	-	-	-	-
Operation & maintenance of plant	-	-	-	-	-
Student transportation	-	-	-	-	-
Other support services	-	-	-	-	-
Food services operations	-	-	-	-	-
Community services	-	-	-	-	-
Capital outlay	-	190,608	-	-	-
Debt service					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
<i>Total expenditures</i>	<u>17,044</u>	<u>190,608</u>	<u>-</u>	<u>65,000</u>	<u>85,002</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>61,528</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>					
Operating transfers	-	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	-	61,528	-	-	-
<i>Fund balances - beginning of year</i>	-	(85,766)	-	-	-
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ (24,238)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 COMBINING STATEMENT OF REVENUES,
 EXPENDITURES, AND CHANGES IN FUND BALANCES
 NONMAJOR SPECIAL REVENUE FUNDS
 FOR THE YEAR ENDED JUNE 30, 2016

Statement B-2

	Nutrition Grant 28127	CYFD Child and Adult Care Food Program 28201	Private Direct Grants 29102	Total
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	20,650	-	848,468
Federal grants	-	-	-	3,510,826
Miscellaneous	-	-	-	177,700
Charges for services	-	-	-	66,650
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>20,650</u>	<u>-</u>	<u>4,603,644</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	1,880,912
Support services				
Students	-	-	-	341,591
Instruction	-	-	-	48,222
General administration	-	-	-	628,540
School administration	-	-	-	27,343
Central services	-	-	-	374,686
Operation & maintenance of plant	-	-	889	2,641
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	1,965	20,632	-	996,831
Community services	-	-	-	-
Capital outlay	-	-	-	198,204
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,965</u>	<u>20,632</u>	<u>889</u>	<u>4,498,970</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,965)</u>	<u>18</u>	<u>(889)</u>	<u>104,674</u>
<i>Other financing sources (uses):</i>				
Operating transfers	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	(1,965)	18	(889)	104,674
<i>Fund balances - beginning of year</i>	<u>1,965</u>	<u>21,382</u>	<u>21,584</u>	<u>822,322</u>
<i>Fund balances - end of year</i>	<u>\$ -</u>	<u>\$ 21,400</u>	<u>\$ 20,695</u>	<u>\$ 926,996</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FOOD SERVICES SPECIAL REVENUE FUND (21000)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	933,560	877,950	945,477	67,527
Miscellaneous	-	-	-	-
Charges for services	8,325	8,325	16,297	7,972
Investment income	-	-	-	-
<i>Total revenues</i>	<u>941,885</u>	<u>886,275</u>	<u>961,774</u>	<u>75,499</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	1,083,829	941,387	922,342	19,045
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,083,829</u>	<u>941,387</u>	<u>922,342</u>	<u>19,045</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(141,944)</u>	<u>(55,112)</u>	<u>39,432</u>	<u>94,544</u>
<i>Other financing sources (uses):</i>				
Designated cash	141,944	55,112	-	(55,112)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>141,944</u>	<u>55,112</u>	<u>-</u>	<u>(55,112)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>39,432</u>	<u>39,432</u>
<i>Cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>55,112</u>	<u>55,112</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>55,112</u>	<u>55,112</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 94,544</u>	<u>\$ 94,544</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 39,432	
Adjustments to revenues			(31,963)	
Adjustments to expenditures			(2,884)	
Net change in fund balance (GAAP basis)			<u>\$ 4,585</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 ATHLETICS SPECIAL REVENUE FUND (22000)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-4

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	38,000	38,000	50,353	12,353
Investment income	-	-	-	-
<i>Total revenues</i>	<u>38,000</u>	<u>38,000</u>	<u>50,353</u>	<u>12,353</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	40,321	46,325	46,140	185
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>40,321</u>	<u>46,325</u>	<u>46,140</u>	<u>185</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,321)</u>	<u>(8,325)</u>	<u>4,213</u>	<u>12,538</u>
<i>Other financing sources (uses):</i>				
Designated cash	2,321	8,325	-	(8,325)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,321</u>	<u>8,325</u>	<u>-</u>	<u>(8,325)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>4,213</u>	<u>4,213</u>
<i>Cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>8,325</u>	<u>8,325</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>8,325</u>	<u>8,325</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,538</u>	<u>\$ 12,538</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 4,213	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 4,213</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
SKOLNICK FOUNDATION SPECIAL REVENUE FUND (23000)
FOR THE YEAR ENDING JUNE 30, 2016

Statement B-5

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	25,000	25,000	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>25,000</u>	<u>25,000</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	14,699	32,568	26,060	6,508
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>14,699</u>	<u>32,568</u>	<u>26,060</u>	<u>6,508</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(14,699)</u>	<u>(7,568)</u>	<u>(1,060)</u>	<u>6,508</u>
<i>Other financing sources (uses):</i>				
Designated cash	14,699	7,568	-	(7,568)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>14,699</u>	<u>7,568</u>	<u>-</u>	<u>(7,568)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(1,060)</u>	<u>(1,060)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	7,568	7,568
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>7,568</u>	<u>7,568</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,508</u>	<u>\$ 6,508</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (1,060)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (1,060)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
IDEA-B PRESCHOOL SPECIAL REVENUE FUND (24109)
FOR THE YEAR ENDING JUNE 30, 2016

Statement B-6

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	9,792	20,168	3,413	(16,755)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>9,792</u>	<u>20,168</u>	<u>3,413</u>	<u>(16,755)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	7,286	17,127	3,128	13,999
Support services				
Students	2,000	2,000	240	1,760
Instruction	-	-	-	-
General administration	506	1,041	183	858
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>9,792</u>	<u>20,168</u>	<u>3,551</u>	<u>16,617</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(138)</u>	<u>(138)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(138)</u>	<u>(138)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	2,387	2,387
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,387</u>	<u>2,387</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,249</u>	<u>\$ 2,249</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (138)	
Adjustments to revenues			138	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IDEA-B EARLY INTERVENTION SERVICES SPECIAL REVENUE FUND (24112)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-7

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	300	300
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>300</u>	<u>300</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 300</u>	<u>\$ 300</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 FRESH FRUITS AND VEGETABLES SPECIAL REVENUE FUND (24118)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-8

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	38,183	33,968	(4,215)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>38,183</u>	<u>33,968</u>	<u>(4,215)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	38,183	36,510	1,673
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>38,183</u>	<u>36,510</u>	<u>1,673</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(2,542)</u>	<u>(2,542)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(2,542)</u>	<u>(2,542)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	69	69
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>69</u>	<u>69</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2,473)</u>	<u>\$ (2,473)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (2,542)	
Adjustments to revenues			69	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (2,473)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IDEA-B "RISK POOL" SPECIAL REVENUE FUND (24120)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-9

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	311	-	(311)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>311</u>	<u>-</u>	<u>(311)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	311	-	311
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>311</u>	<u>-</u>	<u>311</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IDEA-B RESULTS PLAN SPECIAL REVENUE FUND (24132)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-10

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	40,000	40,000	-	(40,000)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>40,000</u>	<u>40,000</u>	<u>-</u>	<u>(40,000)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	40,000	40,000	15,311	24,689
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>40,000</u>	<u>40,000</u>	<u>15,311</u>	<u>24,689</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(15,311)</u>	<u>(15,311)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(15,311)</u>	<u>(15,311)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (15,311)</u>	<u>\$ (15,311)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (15,311)	
Adjustments to revenues			15,311	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
ENGLISH LANGUAGE ACQUISITION SPECIAL REVENUE FUND (24153)
FOR THE YEAR ENDING JUNE 30, 2016

Statement B-11

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	47,335	99,910	32,689	(67,221)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>47,335</u>	<u>99,910</u>	<u>32,689</u>	<u>(67,221)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	39,657	72,657	25,834	46,823
Support services				
Students	-	-	-	-
Instruction	3,500	3,500	675	2,825
General administration	4,178	23,753	2,027	21,726
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>47,335</u>	<u>99,910</u>	<u>28,536</u>	<u>71,374</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>4,153</u>	<u>4,153</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>4,153</u>	<u>4,153</u>
<i>Cash or fund balance - beginning of year</i>	-	-	(12,279)	(12,279)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(12,279)</u>	<u>(12,279)</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (8,126)</u>	<u>\$ (8,126)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 4,153	
Adjustments to revenues			2,267	
Adjustments to expenditures			8,560	
Net change in fund balance (GAAP basis)			<u>\$ 14,980</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

Statement B-12

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

TEACHER/PRINCIPAL TRAINING & RECRUITING SPECIAL REVENUE FUND (24154)

FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	113,548	113,548	134,790	21,242
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>113,548</u>	<u>113,548</u>	<u>134,790</u>	<u>21,242</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	100,259	100,259	38,206	62,053
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	6,358	6,358	3,812	2,546
School administration	6,931	6,931	5,076	1,855
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>113,548</u>	<u>113,548</u>	<u>47,094</u>	<u>66,454</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>87,696</u>	<u>87,696</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>87,696</u>	<u>87,696</u>
<i>Cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(100,574)</u>	<u>(100,574)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(100,574)</u>	<u>(100,574)</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,878)</u>	<u>\$ (12,878)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 87,696	
Adjustments to revenues			12,764	
Adjustments to expenditures			3,715	
Net change in fund balance (GAAP basis)			<u>\$ 104,175</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 RURAL & LOW-INCOME SCHOOLS SPECIAL REVENUE FUND (24160)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-13

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	21,055	21,055	23,677	2,622
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>21,055</u>	<u>21,055</u>	<u>23,677</u>	<u>2,622</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	19,968	19,968	18,816	1,152
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	1,087	1,087	762	325
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>21,055</u>	<u>21,055</u>	<u>19,578</u>	<u>1,477</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>4,099</u>	<u>4,099</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>4,099</u>	<u>4,099</u>
<i>Cash or fund balance - beginning of year</i>	-	-	(16,253)	(16,253)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(16,253)</u>	<u>(16,253)</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,154)</u>	<u>\$ (12,154)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 4,099	
Adjustments to revenues			2,856	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 6,955</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TITLE I SCHOOL IMPROVEMENT SPECIAL REVENUE FUND (24162)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-14

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	74,000	21,347	(52,653)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>74,000</u>	<u>21,347</u>	<u>(52,653)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	74,000	21,347	52,653
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>74,000</u>	<u>21,347</u>	<u>52,653</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

Statement B-15

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

CARL D PERKINS SPECIAL PROJECTS - CURRENT SPECIAL REVENUE FUND (24171)

FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	40,411	32,590	(7,821)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>40,411</u>	<u>32,590</u>	<u>(7,821)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	40,411	37,853	2,558
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>40,411</u>	<u>37,853</u>	<u>2,558</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(5,263)</u>	<u>(5,263)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(5,263)</u>	<u>(5,263)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	(3,751)	(3,751)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(3,751)</u>	<u>(3,751)</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (9,014)</u>	<u>\$ (9,014)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (5,263)	
Adjustments to revenues			9,014	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 3,751</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

CARL D PERKINS SPECIAL PROJECTS - REDISTRIBUTION SPECIAL REVENUE FUND (24173)

FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	4,764	-	(4,764)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>4,764</u>	<u>-</u>	<u>(4,764)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	4,764	400	4,364
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>4,764</u>	<u>400</u>	<u>4,364</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(400)</u>	<u>(400)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(400)</u>	<u>(400)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (400)</u>	<u>\$ (400)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (400)	
Adjustments to revenues			400	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

Statement B-17

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

CARL D PERKINS SECONDARY - REDISTRIBUTION 2 SPECIAL REVENUE FUND (24183)

FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	12,500	-	(12,500)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>12,500</u>	<u>-</u>	<u>(12,500)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	12,500	12,498	2
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>12,500</u>	<u>12,498</u>	<u>2</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(12,498)</u>	<u>(12,498)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(12,498)</u>	<u>(12,498)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (12,498)</u>	<u>\$ (12,498)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (12,498)	
Adjustments to revenues			12,498	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

Statement B-18

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

BILINGUAL EDUCATION/COMPREHENSIVE SCHOOL GRANTS SPECIAL REVENUE FUND (25109)

FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	51,589	51,589	51,589	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>51,589</u>	<u>51,589</u>	<u>51,589</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(51,589)</u>	<u>(51,589)</u>	<u>(51,589)</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	51,589	51,589	-	(51,589)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>51,589</u>	<u>51,589</u>	<u>-</u>	<u>(51,589)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(51,589)</u>	<u>(51,589)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	51,589	51,589
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>51,589</u>	<u>51,589</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (51,589)	
Adjustments to revenues			51,589	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
JOHNSON O'MALLEY SPECIAL REVENUE FUND (25131)
FOR THE YEAR ENDING JUNE 30, 2016

Statement B-19

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	118,703	118,703	118,704	1
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>118,703</u>	<u>118,703</u>	<u>118,704</u>	<u>1</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	166,985	138,715	132,202	6,513
Support services				
Students	11,280	11,280	5,335	5,945
Instruction	-	-	-	-
General administration	21,306	46,306	23,604	22,702
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>199,571</u>	<u>196,301</u>	<u>161,141</u>	<u>35,160</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(80,868)</u>	<u>(77,598)</u>	<u>(42,437)</u>	<u>35,161</u>
<i>Other financing sources (uses):</i>				
Designated cash	80,868	77,598	-	(77,598)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>80,868</u>	<u>77,598</u>	<u>-</u>	<u>(77,598)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(42,437)</u>	<u>(42,437)</u>
<i>Cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>77,598</u>	<u>77,598</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>77,598</u>	<u>77,598</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 35,161</u>	<u>\$ 35,161</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (42,437)	
Adjustments to revenues			42,955	
Adjustments to expenditures			(518)	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 IMPACT AID SPECIAL EDUCATION SPECIAL REVENUE FUND (25145)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-20

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	176,715	176,715	172,557	(4,158)
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>176,715</u>	<u>176,715</u>	<u>172,557</u>	<u>(4,158)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	45,430	55,430	28,686	26,744
Support services				
Students	40,354	49,354	4,593	44,761
Instruction	-	-	-	-
General administration	221,385	240,234	205,472	34,762
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>307,169</u>	<u>345,018</u>	<u>238,751</u>	<u>106,267</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(130,454)</u>	<u>(168,303)</u>	<u>(66,194)</u>	<u>102,109</u>
<i>Other financing sources (uses):</i>				
Designated cash	130,454	168,303	-	(168,303)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>130,454</u>	<u>168,303</u>	<u>-</u>	<u>(168,303)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(66,194)</u>	<u>(66,194)</u>
<i>Cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>168,303</u>	<u>168,303</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>168,303</u>	<u>168,303</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 102,109</u>	<u>\$ 102,109</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (66,194)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (66,194)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
IMPACT AID INDIAN EDUCATION SPECIAL REVENUE FUND (25147)
FOR THE YEAR ENDING JUNE 30, 2016

Statement B-21

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	1,343,215	1,525,655	1,525,655	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>1,343,215</u>	<u>1,525,655</u>	<u>1,525,655</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	572,928	794,448	742,641	51,807
Support services				
Students	61,721	85,265	85,264	1
Instruction	142,590	41,541	35,898	5,643
General administration	252,886	305,391	288,231	17,160
School administration	47,602	47,602	22,267	25,335
Central services	355,018	380,018	374,686	5,332
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	275,000	235,920	-	235,920
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,707,745</u>	<u>1,890,185</u>	<u>1,548,987</u>	<u>341,198</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(364,530)</u>	<u>(364,530)</u>	<u>(23,332)</u>	<u>341,198</u>
<i>Other financing sources (uses):</i>				
Designated cash	364,530	364,530	-	(364,530)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>364,530</u>	<u>364,530</u>	<u>-</u>	<u>(364,530)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(23,332)</u>	<u>(23,332)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	399,605	399,605
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>399,605</u>	<u>399,605</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 376,273</u>	<u>\$ 376,273</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (23,332)	
Adjustments to revenues			-	
Adjustments to expenditures			(77)	
Net change in fund balance (GAAP basis)			<u>\$ (23,409)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
GRADS CHILD CARE CYFD SPECIAL REVENUE FUND (25149)
FOR THE YEAR ENDING JUNE 30, 2016

Statement B-22

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	19,935	19,935	-	19,935
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>19,935</u>	<u>19,935</u>	<u>-</u>	<u>19,935</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(19,935)</u>	<u>(19,935)</u>	<u>-</u>	<u>19,935</u>
<i>Other financing sources (uses):</i>				
Designated cash	19,935	19,935	-	(19,935)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>19,935</u>	<u>19,935</u>	<u>-</u>	<u>(19,935)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	19,935	19,935
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>19,935</u>	<u>19,935</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 19,935</u>	<u>\$ 19,935</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			7,596	
Adjustments to expenditures			(7,596)	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
TITLE XIX MEDICAID 3/21 YEARS SPECIAL REVENUE FUND (25153)
FOR THE YEAR ENDING JUNE 30, 2016

Statement B-23

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	95,500	95,500	95,842	342
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>95,500</u>	<u>95,500</u>	<u>95,842</u>	<u>342</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	131,825	131,373	74,508	56,865
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	1,300	1,752	1,752	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>133,125</u>	<u>133,125</u>	<u>76,260</u>	<u>56,865</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(37,625)</u>	<u>(37,625)</u>	<u>19,582</u>	<u>57,207</u>
<i>Other financing sources (uses):</i>				
Designated cash	37,625	37,625	-	(37,625)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>37,625</u>	<u>37,625</u>	<u>-</u>	<u>(37,625)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>19,582</u>	<u>19,582</u>
<i>Cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>42,516</u>	<u>42,516</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>42,516</u>	<u>42,516</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 62,098</u>	<u>\$ 62,098</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 19,582	
Adjustments to revenues			3,049	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ 22,631</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 INDIAN ED FORMULA GRANT SPECIAL REVENUE FUND (25184)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-24

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	241,574	241,574	313,683	72,109
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>241,574</u>	<u>241,574</u>	<u>313,683</u>	<u>72,109</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	213,610	213,610	213,610	-
Support services				
Students	-	-	-	-
Instruction	3,000	3,000	3,000	-
General administration	24,964	24,964	24,964	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>241,574</u>	<u>241,574</u>	<u>241,574</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>72,109</u>	<u>72,109</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>72,109</u>	<u>72,109</u>
<i>Cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(23,503)</u>	<u>(23,503)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(23,503)</u>	<u>(23,503)</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 48,606</u>	<u>\$ 48,606</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 72,109	
Adjustments to revenues			(72,109)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
KELLOGG FUND/KELLOGG FOUNDATION SPECIAL REVENUE FUND (26121)
FOR THE YEAR ENDING JUNE 30, 2016

Statement B-25

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	125,000	137,640	12,640
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>125,000</u>	<u>137,640</u>	<u>12,640</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	117,500	85,184	32,316
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	185,990	79,898	106,092
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>303,490</u>	<u>165,082</u>	<u>138,408</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(178,490)</u>	<u>(27,442)</u>	<u>151,048</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	178,490	-	(178,490)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>178,490</u>	<u>-</u>	<u>(178,490)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(27,442)</u>	<u>(27,442)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	178,490	178,490
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>178,490</u>	<u>178,490</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 151,048</u>	<u>\$ 151,048</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (27,442)	
Adjustments to revenues			15,060	
Adjustments to expenditures			(9,789)	
Net change in fund balance (GAAP basis)			<u>\$ (22,171)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 SAVE THE CHILDREN SPECIAL REVENUE FUND (26143)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-26

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
DUAL CREDIT INSTRUCTIONAL MATERIALS SPECIAL REVENUE FUND (27103)
FOR THE YEAR ENDING JUNE 30, 2016

Statement B-27

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	2,239	2,206	(33)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>2,239</u>	<u>2,206</u>	<u>(33)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	2,239	2,206	33
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>2,239</u>	<u>2,206</u>	<u>33</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 2010 GO BOND STUDENT LIBRARY FUND (SB1) SPECIAL REVENUE FUND (27106)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-28

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

2012 GO BOND STUDENT LIBRARY FUND (SB66) SPECIAL REVENUE FUND (27107)

FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	20,814	20,814	-	(20,814)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>20,814</u>	<u>20,814</u>	<u>-</u>	<u>(20,814)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	20,814	20,814	-	20,814
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>20,814</u>	<u>20,814</u>	<u>-</u>	<u>20,814</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

NEW MEXICO READS TO LEAD K-3 READING INITIATIVE SPECIAL REVENUE FUND (27114)

FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	97,500	97,500	103,933	6,433
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>97,500</u>	<u>97,500</u>	<u>103,933</u>	<u>6,433</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	95,588	95,588	88,803	6,785
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	1,912	1,912	858	1,054
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>97,500</u>	<u>97,500</u>	<u>89,661</u>	<u>7,839</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>14,272</u>	<u>14,272</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>14,272</u>	<u>14,272</u>
<i>Cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(18,160)</u>	<u>(18,160)</u>
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(18,160)</u>	<u>(18,160)</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (3,888)</u>	<u>\$ (3,888)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 14,272	
Adjustments to revenues			(14,272)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TECHNOLOGY FOR EDUCATION PED SPECIAL REVENUE FUND (27117)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-31

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	6,758	6,758
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>6,758</u>	<u>6,758</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,758</u>	<u>\$ 6,758</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TRUANCY INITIATIVE SPECIAL REVENUE FUND (27141)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-32

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	120,000	96,631	(23,369)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>120,000</u>	<u>96,631</u>	<u>(23,369)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	120,000	106,651	13,349
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>120,000</u>	<u>106,651</u>	<u>13,349</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(10,020)</u>	<u>(10,020)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(10,020)</u>	<u>(10,020)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (10,020)</u>	<u>\$ (10,020)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (10,020)	
Adjustments to revenues			10,020	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
PREK INITIATIVE SPECIAL REVENUE FUND (27149)
FOR THE YEAR ENDING JUNE 30, 2016

Statement B-33

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	266,496	266,496	142,010	(124,486)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>266,496</u>	<u>266,496</u>	<u>142,010</u>	<u>(124,486)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	253,857	253,857	192,598	61,259
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	2,639	2,639	1,849	790
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	10,000	10,000	-	10,000
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>266,496</u>	<u>266,496</u>	<u>194,447</u>	<u>72,049</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(52,437)</u>	<u>(52,437)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(52,437)</u>	<u>(52,437)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	(14,058)	(14,058)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(14,058)</u>	<u>(14,058)</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (66,495)</u>	<u>\$ (66,495)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (52,437)	
Adjustments to revenues			52,437	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 INDIAN EDUCATION ACT SPECIAL REVENUE FUND (27150)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-34

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	25,000	20,143	(4,857)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>25,000</u>	<u>20,143</u>	<u>(4,857)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	25,000	15,672	9,328
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>25,000</u>	<u>15,672</u>	<u>9,328</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>4,471</u>	<u>4,471</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>4,471</u>	<u>4,471</u>
<i>Cash or fund balance - beginning of year</i>	-	-	8,752	8,752
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>8,752</u>	<u>8,752</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 13,223</u>	<u>\$ 13,223</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 4,471	
Adjustments to revenues			(4,472)	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (1)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

Statement B-35

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

BEGINNING TEACHER MENTORING PROGRAM SPECIAL REVENUE FUND (27154)

FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	36,636	36,636
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>36,636</u>	<u>36,636</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 36,636</u>	<u>\$ 36,636</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 BREAKFAST FOR ELEMENTARY STUDENTS SPECIAL REVENUE FUND (27155)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-36

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 KINDERGARTEN - THREE PLUS SPECIAL REVENUE FUND (27166)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-37

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 AFTER SCHOOL ENRICHMENT PROGRAM SPECIAL REVENUE FUND (27168)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-38

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	51,000	17,044	(33,956)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>51,000</u>	<u>17,044</u>	<u>(33,956)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	51,000	17,044	33,956
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>51,000</u>	<u>17,044</u>	<u>33,956</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 2013 PRE-K CLASSROOMS SPECIAL REVENUE FUND (27177)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-39

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	185,051	252,137	184,816	(67,321)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>185,051</u>	<u>252,137</u>	<u>184,816</u>	<u>(67,321)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	185,051	252,137	252,137	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>185,051</u>	<u>252,137</u>	<u>252,137</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(67,321)</u>	<u>(67,321)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(67,321)</u>	<u>(67,321)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	(24,237)	(24,237)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(24,237)</u>	<u>(24,237)</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (91,558)</u>	<u>\$ (91,558)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (67,321)	
Adjustments to revenues			67,320	
Adjustments to expenditures			61,529	
Net change in fund balance (GAAP basis)			<u>\$ 61,528</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

Statement B-40

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

NM GROWN FRESH FRUITS AND VEGETABLES SPECIAL REVENUE FUND (27183)

FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	1,419	-	(1,419)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>1,419</u>	<u>-</u>	<u>(1,419)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	1,419	-	1,419
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>1,419</u>	<u>-</u>	<u>1,419</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
SOCIAL WORKERS FOR MIDDLE SCHOOLS SPECIAL REVENUE FUND (27194)
FOR THE YEAR ENDING JUNE 30, 2016

Statement B-41

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	65,000	47,135	(17,865)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>65,000</u>	<u>47,135</u>	<u>(17,865)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	65,000	65,000	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>65,000</u>	<u>65,000</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>(17,865)</u>	<u>(17,865)</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(17,865)</u>	<u>(17,865)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (17,865)</u>	<u>\$ (17,865)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (17,865)	
Adjustments to revenues			17,865	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 TEACHERS "HARD TO STAFF" STIPENDS SPECIAL REVENUE FUND (27195)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-42

	Budgeted Amounts			
	Original Budget	Final Budget	Actual	Variance
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	85,050	85,002	(48)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>85,050</u>	<u>85,002</u>	<u>(48)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	85,050	85,002	48
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>85,050</u>	<u>85,002</u>	<u>48</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 NUTRITION GRANT SPECIAL REVENUE FUND (28127)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-43

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	1,965	1,965	1,965	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>1,965</u>	<u>1,965</u>	<u>1,965</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,965)</u>	<u>(1,965)</u>	<u>(1,965)</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,965	1,965	-	(1,965)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,965</u>	<u>1,965</u>	<u>-</u>	<u>(1,965)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(1,965)</u>	<u>(1,965)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	1,965	1,965
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>1,965</u>	<u>1,965</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (1,965)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (1,965)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO

Statement B-44

ZUNI PUBLIC SCHOOLS

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND

BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL

CYFD CHILD AND ADULT CARE FOOD PROGRAM SPECIAL REVENUE FUND (28201)

FOR THE YEAR ENDING JUNE 30, 2016

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	21,382	21,382	9,068	12,314
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>21,382</u>	<u>21,382</u>	<u>9,068</u>	<u>12,314</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(21,382)</u>	<u>(21,382)</u>	<u>(9,068)</u>	<u>12,314</u>
<i>Other financing sources (uses):</i>				
Designated cash	21,382	21,382	-	(21,382)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>21,382</u>	<u>21,382</u>	<u>-</u>	<u>(21,382)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(9,068)</u>	<u>(9,068)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	21,382	21,382
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>21,382</u>	<u>21,382</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 12,314</u>	<u>\$ 12,314</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (9,068)	
Adjustments to revenues			20,650	
Adjustments to expenditures			(11,564)	
Net change in fund balance (GAAP basis)			<u>\$ 18</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 PRIVATE DIRECT GRANTS SPECIAL REVENUE FUND (29102)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement B-45

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	20,165	20,165	889	19,276
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>20,165</u>	<u>20,165</u>	<u>889</u>	<u>19,276</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(20,165)</u>	<u>(20,165)</u>	<u>(889)</u>	<u>19,276</u>
<i>Other financing sources (uses):</i>				
Designated cash	20,165	20,165	-	(20,165)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>20,165</u>	<u>20,165</u>	<u>-</u>	<u>(20,165)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(889)</u>	<u>(889)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	21,584	21,584
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>21,584</u>	<u>21,584</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 20,695</u>	<u>\$ 20,695</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (889)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (889)</u>	

The accompanying notes are an integral part of these financial statements.

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CAPITAL PROJECTS FUNDS

CAPITAL PROJECTS FUNDS DESCRIPTIONS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities.

Bond Building (31100) – The fund is used to account for bond proceeds and any income earned thereon. The proceeds are restricted for the purpose of making additions to and furnishing of school buildings, or purchasing or improving school grounds or any combination thereof, as approved by the voters of the District. No minimum balance required according to legislation.

Special Capital Outlay – Local (31300) – The fund provides financing from local revenues for the construction and improvements to District buildings and facilities. No minimum balance required according to legislation.

Special Capital Outlay – State (31400) – To account for special appropriations monies received from the State of New Mexico under Chapter 4, Laws of 1996. No minimum balance required according to legislation.

Special Capital Outlay – Federal (31500) – This fund is used to account for the technical assistance, training and education, equipment, marketing, and all costs associated with assisting rural areas in analyzing and assessing forest resource opportunities, maximizing local economic potential through market development and expansion, and diversifying the communities' economic base. This was authorized by the Department of the Interior, Environment, and Related Agencies Appropriations Act, Public Law 106-291. No minimum balance required according to legislation.

Public School Capital Outlay – 20% (32100) – A capital projects fund to capture the 20% of eligible federal (Forest Reserve and Impact Aid) and local revenue (local taxes) that must be budgeted I Capital Outlay. Provides financing for the construction and improvement of buildings and land, and the purchase of equipment. No minimum balance required according to legislation.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2016

	Bond Building 31100	Special Capital Outlay - Local 31300	Special Capital Outlay - State 31400
ASSETS			
<i>Current assets:</i>			
Cash and temporary investments	\$ 187,992	\$ -	\$ 51,168
Accounts receivable			
Taxes	-	-	-
Due from other governments	-	-	-
Interfund receivables	-	-	-
Other	-	-	-
Inventory	-	-	-
	<u>187,992</u>	<u>-</u>	<u>51,168</u>
<i>Total assets</i>	<u>187,992</u>	<u>-</u>	<u>51,168</u>
LIABILITIES			
<i>Current liabilities:</i>			
Accounts payable	-	4,148	-
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	-
Unearned revenue	-	-	-
	<u>-</u>	<u>4,148</u>	<u>-</u>
<i>Total liabilities</i>	<u>-</u>	<u>4,148</u>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues - property taxes	-	-	-
Unavailable revenues - other	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted for:			
Grant mandates	-	-	-
Capital projects	187,992	-	51,168
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	(4,148)	-
	<u>187,992</u>	<u>(4,148)</u>	<u>51,168</u>
<i>Total fund balances</i>	<u>187,992</u>	<u>(4,148)</u>	<u>51,168</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 187,992</u>	<u>\$ -</u>	<u>\$ 51,168</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR CAPITAL PROJECTS FUNDS
 JUNE 30, 2016

	Special Capital Outlay - Federal 31500	Public School Capital Outlay - 20% 32100	Total
ASSETS			
<i>Current assets:</i>			
Cash and temporary investments	\$ 215,482	\$ 1,178	\$ 455,820
Accounts receivable			-
Taxes	-	-	-
Due from other governments	-	-	-
Interfund receivables	-	-	-
Other	-	-	-
Inventory	-	-	-
<i>Total assets</i>	<u>215,482</u>	<u>1,178</u>	<u>455,820</u>
LIABILITIES			
<i>Current liabilities:</i>			
Accounts payable	7,400	-	11,548
Accrued payroll liabilities	-	-	-
Interfund payables	-	-	-
Unearned revenue	-	-	-
<i>Total liabilities</i>	<u>7,400</u>	<u>-</u>	<u>11,548</u>
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenues - property taxes	-	-	-
Unavailable revenues - other	-	-	-
<i>Total deferred inflows of resources</i>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES			
Nonspendable	-	-	-
Restricted for:			-
Grant mandates	-	-	-
Capital projects	208,082	1,178	448,420
Debt service	-	-	-
Assigned	-	-	-
Unassigned	-	-	(4,148)
<i>Total fund balances</i>	<u>208,082</u>	<u>1,178</u>	<u>444,272</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u>\$ 215,482</u>	<u>\$ 1,178</u>	<u>\$ 455,820</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDING JUNE 30, 2016

Statement C-2

	Bond Building 31100	Special Capital Outlay - Local 31300	Special Capital Outlay - State 31400
<i>Revenues:</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	-	-	-
Miscellaneous	-	-	-
Charges for services	-	-	-
Investment income	446	-	-
<i>Total revenues</i>	<u>446</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>			
Current:			
Instruction	-	-	-
Support services			
Students	-	-	-
Instruction	-	-	-
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	-	-	-
Food services operations	-	-	-
Community services	-	-	-
Capital outlay	68,218	50,263	-
Debt service			
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>68,218</u>	<u>50,263</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(67,772)</u>	<u>(50,263)</u>	<u>-</u>
<i>Other financing sources (uses):</i>			
Operating transfers	246,719	-	-
<i>Total other financing sources (uses)</i>	<u>246,719</u>	<u>-</u>	<u>-</u>
<i>Net changes in fund balances</i>	178,947	(50,263)	-
<i>Fund balances - beginning of year</i>	<u>502,483</u>	<u>46,115</u>	<u>51,168</u>
<i>Fund balances - end of year</i>	<u>\$ 681,430</u>	<u>\$ (4,148)</u>	<u>\$ 51,168</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR CAPITAL PROJECT FUNDS
FOR THE YEAR ENDING JUNE 30, 2016

Statement C-2

	Special Capital Outlay - Federal 31500	Public School Capital Outlay 20% 32100	Total
<i>Revenues:</i>			
Property taxes	\$ -	\$ -	\$ -
State grants	-	-	-
Federal grants	3,257	-	3,257
Miscellaneous	-	-	-
Charges for services	-	-	-
Investment income	-	-	446
<i>Total revenues</i>	<u>3,257</u>	<u>-</u>	<u>3,703</u>
<i>Expenditures:</i>			
Current:			
Instruction	-	-	-
Support services			-
Students	-	-	-
Instruction	-	-	-
General administration	-	-	-
School administration	-	-	-
Central services	-	-	-
Operation & maintenance of plant	-	-	-
Student transportation	-	-	-
Other support services	-	-	-
Food services operations	-	-	-
Community services	-	-	-
Capital outlay	60,338	55,519	234,338
Debt service			-
Principal	-	-	-
Interest	-	-	-
<i>Total expenditures</i>	<u>60,338</u>	<u>55,519</u>	<u>234,338</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(57,081)</u>	<u>(55,519)</u>	<u>(230,635)</u>
<i>Other financing sources (uses):</i>			
Operating transfers	-	-	246,719
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>246,719</u>
<i>Net changes in fund balances</i>	(57,081)	(55,519)	16,084
<i>Fund balances - beginning of year</i>	<u>265,163</u>	<u>56,697</u>	<u>921,626</u>
<i>Fund balances - end of year</i>	<u>\$ 208,082</u>	<u>\$ 1,178</u>	<u>\$ 937,710</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 BOND BUILDING CAPITAL PROJECTS FUND (31100)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	446	446
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>446</u>	<u>446</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	516,387	505,835	71,570	434,265
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>516,387</u>	<u>505,835</u>	<u>71,570</u>	<u>434,265</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(516,387)</u>	<u>(505,835)</u>	<u>(71,124)</u>	<u>434,711</u>
<i>Other financing sources (uses):</i>				
Designated cash	516,387	505,835	-	(505,835)
Operating transfers	-	-	(246,719)	(246,719)
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>516,387</u>	<u>505,835</u>	<u>(246,719)</u>	<u>(752,554)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(317,843)</u>	<u>(317,843)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	505,835	505,835
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>505,835</u>	<u>505,835</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 187,992</u>	<u>\$ 187,992</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (317,843)	
Adjustments to revenues			-	
Adjustments to expenditures			3,352	
Net change in fund balance (GAAP basis)			<u>\$ (314,491)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 PUBLIC SCHOOL CAPITAL OUTLAY CAPITAL PROJECTS FUND (31200)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-4

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	-	-
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			19,170,648	
Adjustments to expenditures			(19,170,648)	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 SPECIAL CAPITAL OUTLAY - LOCAL CAPITAL PROJECTS FUND (31300)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-5

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	37,987	46,115	46,115	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>37,987</u>	<u>46,115</u>	<u>46,115</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(37,987)</u>	<u>(46,115)</u>	<u>(46,115)</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	37,987	46,115	-	(46,115)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>37,987</u>	<u>46,115</u>	<u>-</u>	<u>(46,115)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(46,115)</u>	<u>(46,115)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	46,115	46,115
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>46,115</u>	<u>46,115</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (46,115)	
Adjustments to revenues			-	
Adjustments to expenditures			(4,148)	
Net change in fund balance (GAAP basis)			<u>\$ (50,263)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 SPECIAL CAPITAL OUTLAY - STATE CAPITAL PROJECTS FUND (31400)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement C-6

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	51,168	51,168
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>51,168</u>	<u>51,168</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 51,168</u>	<u>\$ 51,168</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
SPECIAL CAPITAL OUTLAY - FEDERAL CAPITAL PROJECTS FUND (31500)
FOR THE YEAR ENDING JUNE 30, 2016

Statement C-7

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	3,257	3,257
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>3,257</u>	<u>3,257</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	131,717	285,782	73,557	212,225
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>131,717</u>	<u>285,782</u>	<u>73,557</u>	<u>212,225</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(131,717)</u>	<u>(285,782)</u>	<u>(70,300)</u>	<u>215,482</u>
<i>Other financing sources (uses):</i>				
Designated cash	131,717	285,782	-	(285,782)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>131,717</u>	<u>285,782</u>	<u>-</u>	<u>(285,782)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(70,300)</u>	<u>(70,300)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	285,782	285,782
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>285,782</u>	<u>285,782</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 215,482</u>	<u>\$ 215,482</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (70,300)	
Adjustments to revenues			-	
Adjustments to expenditures			13,219	
Net change in fund balance (GAAP basis)			<u>\$ (57,081)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
CAPITAL IMPROVEMENTS SB-9 CAPITAL PROJECTS FUND (31700)
FOR THE YEAR ENDING JUNE 30, 2016

Statement C-8

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ 4,554	\$ 4,554	\$ 4,366	\$ (188)
State grants	448,148	864,976	499,097	(365,879)
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>452,702</u>	<u>869,530</u>	<u>503,463</u>	<u>(366,067)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	100	44	56
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	452,702	869,430	455,553	413,877
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>452,702</u>	<u>869,530</u>	<u>455,597</u>	<u>413,933</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>-</u>	<u>47,866</u>	<u>47,866</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	-	-	-
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>47,866</u>	<u>47,866</u>
<i>Cash or fund balance - beginning of year</i>	-	-	(95,849)	(95,849)
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>(95,849)</u>	<u>(95,849)</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (47,983)</u>	<u>\$ (47,983)</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ 47,866	
Adjustments to revenues			23	
Adjustments to expenditures			60,707	
Net change in fund balance (GAAP basis)			<u>\$ 108,596</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
PUBLIC SCHOOL CAPITAL OUTLAY - 20% CAPITAL PROJECTS FUND (32100)
FOR THE YEAR ENDING JUNE 30, 2016

Statement C-9

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
Current:				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	56,697	55,519	1,178
Debt service				
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>-</u>	<u>56,697</u>	<u>55,519</u>	<u>1,178</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>-</u>	<u>(56,697)</u>	<u>(55,519)</u>	<u>1,178</u>
<i>Other financing sources (uses):</i>				
Designated cash	-	56,697	-	(56,697)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>-</u>	<u>56,697</u>	<u>-</u>	<u>(56,697)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(55,519)</u>	<u>(55,519)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	56,697	56,697
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>56,697</u>	<u>56,697</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 1,178</u>	<u>\$ 1,178</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance (cash basis)			\$ (55,519)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (55,519)</u>	

The accompanying notes are an integral part of these financial statements.

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DEBT SERVICE FUNDS

DEBT SERVICE FUNDS DESCRIPTIONS

Debt Service Funds account for the services of general long-term debt not being financed by proprietary or nonexpendable trust funds.

Education Technology Debt Service Fund (43000) – The fund is to account for the debt repayments of the debt incurred through the Education Technology Equipment Act (Capital Projects Fund) (Section 6-15A-1 to 6-15A-16 NMSA 1978). No minimum balance required according to legislation.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 COMBINING BALANCE SHEET
 NONMAJOR DEBT SERVICE FUNDS
 JUNE 30, 2016

Statement D-1

	Education Technology Debt Service 43000
ASSETS	
<i>Current assets:</i>	
Cash and temporary investments	\$ 2,882
Accounts receivable	
Taxes	3,698
Due from other governments	-
Interfund receivables	-
Other	-
Inventory	-
	<hr/>
<i>Total assets</i>	<u><u>6,580</u></u>
LIABILITIES	
<i>Current Liabilities:</i>	
Accounts payable	-
Accrued payroll liabilities	-
Interfund payables	-
Unearned revenue	-
	<hr/>
<i>Total liabilities</i>	<u>-</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenues - property taxes	3,698
Unavailable revenues - other	-
	<hr/>
<i>Total deferred inflows of resources</i>	<u>3,698</u>
FUND BALANCES	
Nonspendable	-
Restricted for:	
Grant mandates	-
Capital projects	-
Debt service	2,882
Assigned	-
Unassigned	-
	<hr/>
<i>Total fund balances</i>	<u>2,882</u>
<i>Total liabilities, deferred inflows of resources, and fund balances</i>	<u><u>\$ 6,580</u></u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
COMBINING STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES
NONMAJOR DEBT SERVICE FUNDS
FOR THE YEAR ENDED JUNE 30, 2016

Statement D-2

	Education Technology Debt Service 43000
	<hr/>
<i>Revenues:</i>	
Property taxes	\$ -
State grants	-
Federal grants	-
Miscellaneous	-
Charges for services	-
Investment income	-
<i>Total revenues</i>	<hr/> <hr/>
<i>Expenditures:</i>	
Current:	
Instruction	-
Support services	
Students	-
Instruction	-
General administration	-
School administration	-
Central services	-
Operation & maintenance of plant	-
Student transportation	-
Other support services	-
Food services operations	-
Community services	-
Capital outlay	-
Debt service	
Principal	-
Interest	-
<i>Total expenditures</i>	<hr/> <hr/>
<i>Excess (deficiency) of revenues</i>	
<i>over (under) expenditures</i>	<hr/> <hr/>
<i>Other financing sources (uses):</i>	
Operating transfers	-
<i>Total other financing sources (uses)</i>	<hr/> <hr/>
<i>Net changes in fund balances</i>	-
<i>Fund balances - beginning of year</i>	<hr/> 2,882
<i>Fund balances - end of year</i>	<hr/> <hr/> \$ 2,882

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 DEBT SERVICE FUND (41000)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement D-3

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ 4,554	\$ 4,554	\$ -	\$ (4,554)
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	501	501
<i>Total revenues</i>	<u>4,554</u>	<u>4,554</u>	<u>501</u>	<u>(4,053)</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	46	46	-	46
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	-	-	-	-
Debt service				
Reserve	797,014	797,014	-	797,014
Principal	450,000	450,000	450,000	-
Interest	261,603	261,603	257,112	4,491
<i>Total expenditures</i>	<u>1,508,663</u>	<u>1,508,663</u>	<u>707,112</u>	<u>801,551</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(1,504,109)</u>	<u>(1,504,109)</u>	<u>(706,611)</u>	<u>797,498</u>
<i>Other financing sources (uses):</i>				
Designated cash	1,504,109	1,504,109	-	(1,504,109)
Operating transfers	-	-	685,381	685,381
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>1,504,109</u>	<u>1,504,109</u>	<u>685,381</u>	<u>(818,728)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>(21,230)</u>	<u>(21,230)</u>
<i>Cash or fund balance - beginning of year</i>	-	-	791,750	791,750
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>791,750</u>	<u>791,750</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 770,520</u>	<u>\$ 770,520</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ (21,230)	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ (21,230)</u>	

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND
 BALANCE - BUDGET (NON-GAAP BUDGETARY BASIS) AND ACTUAL
 EDUCATION TECHNOLOGY DEBT SERVICE FUND (43000)
 FOR THE YEAR ENDING JUNE 30, 2016

Statement D-4

	Budgeted Amounts		Actual	Variance
	Original Budget	Final Budget		
<i>Revenues:</i>				
Property taxes	\$ -	\$ -	\$ -	\$ -
State grants	-	-	-	-
Federal grants	-	-	-	-
Miscellaneous	-	-	-	-
Charges for services	-	-	-	-
Investment income	-	-	-	-
<i>Total revenues</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Expenditures:</i>				
<i>Current:</i>				
Instruction	-	-	-	-
Support services				
Students	-	-	-	-
Instruction	-	-	-	-
General administration	-	-	-	-
School administration	-	-	-	-
Central services	-	-	-	-
Operation & maintenance of plant	-	-	-	-
Student transportation	-	-	-	-
Other support services	-	-	-	-
Food services operations	-	-	-	-
Community services	-	-	-	-
Capital outlay	2,882	2,882	-	2,882
Debt service				
Reserve	-	-	-	-
Principal	-	-	-	-
Interest	-	-	-	-
<i>Total expenditures</i>	<u>2,882</u>	<u>2,882</u>	<u>-</u>	<u>2,882</u>
<i>Excess (deficiency) of revenues over (under) expenditures</i>	<u>(2,882)</u>	<u>(2,882)</u>	<u>-</u>	<u>2,882</u>
<i>Other financing sources (uses):</i>				
Designated cash	2,882	2,882	-	(2,882)
Operating transfers	-	-	-	-
Proceeds from bond issues	-	-	-	-
<i>Total other financing sources (uses)</i>	<u>2,882</u>	<u>2,882</u>	<u>-</u>	<u>(2,882)</u>
<i>Net change in fund balance</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<i>Cash or fund balance - beginning of year</i>	-	-	2,882	2,882
Prior period adjustments	-	-	-	-
<i>Adjusted cash or fund balance - beginning of year</i>	<u>-</u>	<u>-</u>	<u>2,882</u>	<u>2,882</u>
<i>Cash or fund balance - end of year</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,882</u>	<u>\$ 2,882</u>
<i>Reconciliation to GAAP basis:</i>				
Net change in fund balance			\$ -	
Adjustments to revenues			-	
Adjustments to expenditures			-	
Net change in fund balance (GAAP basis)			<u>\$ -</u>	

The accompanying notes are an integral part of these financial statements.

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OTHER SUPPLEMENTAL INFORMATION

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
AGENCY FUNDS
SCHEDULE OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
FOR THE YEAR ENDING JUNE 30, 2016

Schedule III

	Balance June 30, 2015	Additions	Deletions	Adjustments	Balance June 30, 2016
Dowa Yalanne Elementary	\$ 11,613	\$ 19,746	\$ 22,771	\$ 239	\$ 8,827
A:Shiwi Elementary	10,053	5,802	\$ 9,133	(60)	6,662
Zuni Middle School	9,486	12,148	\$ 12,461	129	9,302
Zuni High School	49,646	62,609	\$ 54,481	192	57,966
Twin Buttes High School	7,084	1,275	\$ 2,551	49	5,857
Stephanie Anton Memorial Scholarship	90,372	28,477	\$ -	-	118,849
Stephanie Anton Memorial Fund	12,453	1			12,454
Total Agency Funds	<u>\$ 190,707</u>	<u>\$ 130,058</u>	<u>\$ 101,397</u>	<u>\$ 549</u>	<u>\$ 219,917</u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF PLEDGED COLLATERAL
FOR THE YEAR ENDED JUNE 30, 2016

Schedule IV

<u>Name of Depository</u>	<u>Description of Pledged Collateral</u>	<u>Maturity Date</u>	<u>CUSIP Number</u>	<u>Fair Market Value June 30, 2016</u>
Wells Fargo Bank				
	FNMA	7/1/2042	3138LXD48	\$ 1,179,132
Total Wells Fargo Bank				<u>\$ 1,179,132</u>
The securities are held, not in the District's name, at:				
Bank of New York Mellon				
One Wall Street				
Fourth Floor				
New York, NY 10286				
Bank of Albuquerque:				
	GNMA	6/25/2028	3136AHF7	\$ 7,938,316
	GNMA	11/25/2025	31398SAF0	3,360,799
Total Bank of Albuquerque				<u>\$ 11,299,115</u>

The securities are held, not in the District's name, at:
Federal Home Loan Bank
1 Security Benefit PL. Ste. 100
Topeka, KS 66606

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF CASH AND TEMPORARY INVESTMENT ACCOUNTS
JUNE 30, 2016

Schedule V

Bank Name/Account Type	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Other Adjustments	Book Balance
Wells Fargo Bank						
Operational	Checking	\$ 1,107,353	\$ -	\$ (149,440)	\$ -	\$ 957,913
Payroll	Checking	401,194	-	(106,261)	(1)	294,932
Food Service	Checking	92,139	-	(60)	-	92,079
Athletics	Checking	12,630	-	(92)	-	12,538
Federal Programs	Checking	55,642	-	(40,811)	-	14,831
Teacherage	Checking	162,222	-	(5,764)	-	156,458
Savings	Savings	26,177	-	-	-	26,177
A:shiwí Elementary School	Checking	6,687	-	(25)	-	6,662
Dowa Yalanne Elementary School	Checking	9,320	-	(492)	-	8,828
Twin Buttes High School	Checking	5,920	-	(62)	-	5,858
Zuni High School	Checking	59,030	-	(1,109)	45	57,966
Zuni Middle School	Checking	9,302	-	-	-	9,302
Stephanie Anton Memorial Fund	Checking	12,455	-	-	-	12,455
Stephanie Anton Memorial Scholarship Fund	Checking	118,849	-	-	-	118,849
Total Wells Fargo Bank		\$ 2,078,920	\$ -	\$ (304,116)	\$ 44	\$ 1,774,848

Bank Name/Account Type	Account Type	Bank Balance	Deposits in Transit	Outstanding Checks	Other Adjustments	Book Balance
Bank of Albuquerque						
NM Zuni Sch Teach Hsg 2012 Ddebt Serv	Trust	\$ 200,054	\$ -	\$ -	\$ -	\$ 200,054
NM Zuni Sch Teach Hsg Bd 2012 Ds Res	Trust	288,500	-	-	-	288,500
NM Zuni School Teacher Hsg 2012a Ds	Trust	28,180	-	-	-	28,180
NM Zuni Sch Teach Hsg 2012a Dsr	Trust	415,500	-	-	-	415,500
Total Bank of Albuquerque		\$ 932,234	\$ -	\$ -	\$ -	\$ 932,234
Total		\$ 3,011,154	\$ -	\$ (304,116)	\$ 44	2,707,082

Cash per financial statements						
Cash and cash equivalents - Government Activities Exhibit A-1						2,487,165
Fiduciary funds - Exhibit D-1						219,917
						\$ 2,707,082

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF CASH RECONCILIATIONS
JUNE 30, 2016

Schedule VI
(Page 1 of 5)

Primary Government

	Operational 11000	Teacherage 12000	Transportation 13000	Instructional Materials 14000	Food Services 21000
Cash, June 30, 2015	\$ 830,501	\$ 123,554	\$ 22,147	\$ 118,153	\$ 55,112
Add:					
Current year revenues	12,644,053	398,493	510,105	91,226	961,774
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	-	-	-	-	-
Total cash available	13,474,554	522,047	532,252	209,379	1,016,886
Less:					
Current year expenditures	(12,428,223)	(265,587)	(480,113)	-	(922,342)
Permanent cash transfers	(338,662)	(100,000)	(11,074)	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	(707,669)	-	-	-	-
Cash, June 30, 2016	<u>\$ -</u>	<u>\$ 156,460</u>	<u>\$ 41,065</u>	<u>\$ 209,379</u>	<u>\$ 94,544</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF CASH RECONCILIATIONS
JUNE 30, 2016

Schedule VI
(Page 2 of 5)

Primary Government

	Athletics 22000	Skolnick Foundation 23000	Federal Flowthrough 24000	Federal Direct 25000	Local Grants 26000
Cash, June 30, 2015	\$ 8,325	\$ 7,568	\$ (651,919)	\$ 736,043	\$ 178,490
Add:					
Current year revenues	50,353	25,000	1,686,285	2,226,441	137,640
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	-	-	622,549	-	-
Total cash available	58,678	32,568	1,656,915	2,962,484	316,130
Less:					
Current year expenditures	(46,140)	(26,060)	(1,651,633)	(2,318,302)	(165,082)
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	(152,689)	-
Cash, June 30, 2016	<u>\$ 12,538</u>	<u>\$ 6,508</u>	<u>\$ 5,282</u>	<u>\$ 491,493</u>	<u>\$ 151,048</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF CASH RECONCILIATIONS
JUNE 30, 2016

Schedule VI
(Page 3 of 5)

Primary Government

	State Flowthrough 27000	State Direct 28000	Local / State 29000	Bond Building 31100	Public School Capital Outlay 31200
Cash, June 30, 2015	\$ (4,309)	\$ 23,347	\$ 21,584	\$ 505,835	\$ -
Add:					
Current year revenues	698,920	-	-	446	-
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	189,826	-	-	-	-
Total cash available	884,437	23,347	21,584	506,281	-
Less:					
Current year expenditures	(827,820)	(11,033)	(889)	(71,570)	-
Permanent cash transfers	-	-	-	(246,719)	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	-	-
Cash, June 30, 2016	<u>\$ 56,617</u>	<u>\$ 12,314</u>	<u>\$ 20,695</u>	<u>\$ 187,992</u>	<u>\$ -</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF CASH RECONCILIATIONS
JUNE 30, 2016

Schedule VI
(Page 4 of 5)

Primary Government	Special Capital Outlay - Local 31300	Special Capital Outlay - State 31400	Special Capital Outlay - Federal 31500	Capital Improvements SB-9 31700	Public School Capital Outlay - 20% 32100
Cash, June 30, 2015	\$ 46,115	\$ 51,168	\$ 285,782	\$ (95,849)	\$ 56,697
Add:					
Current year revenues	-	-	3,257	503,463	-
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans from other funds	-	-	-	47,983	-
Total cash available	46,115	51,168	289,039	455,597	56,697
Less:					
Current year expenditures	(46,115)	-	(73,557)	(455,597)	(55,519)
Permanent cash transfers	-	-	-	-	-
Prior period adjustment	-	-	-	-	-
Loans to other funds	-	-	-	-	-
Cash, June 30, 2016	<u>\$ -</u>	<u>\$ 51,168</u>	<u>\$ 215,482</u>	<u>\$ -</u>	<u>\$ 1,178</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF CASH RECONCILIATIONS
JUNE 30, 2016

Schedule VI
(Page 5 of 5)

Primary Government

	Public School Capital Outlay - 20% 32100	Debt Service 41000	Education Technology Debt Service 43000	Total
Cash, June 30, 2015	\$ 56,697	\$ 791,750	\$ 2,882	\$ 3,169,673
Add:				
Current year revenues	-	501	-	19,937,957
Permanent cash transfers	-	685,381	-	685,381
Prior period adjustment	-	-	-	-
Loans from other funds	-	-	-	860,358
Total cash available	56,697	1,477,632	2,882	24,653,369
Less:				
Current year expenditures	(55,519)	(707,112)	-	(20,608,213)
Permanent cash transfers	-	-	-	(696,455)
Prior period adjustment	-	-	-	-
Loans to other funds	-	-	-	(860,358)
Cash, June 30, 2016	<u>\$ 1,178</u>	<u>\$ 770,520</u>	<u>\$ 2,882</u>	<u>\$ 2,488,343</u>

The accompanying notes are an integral part of these financial statements

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF VENDOR INFORMATION
FOR THE YEAR ENDED JUNE 30, 2016

Schedule VII

Bid/RFP #	Names of Respondents	Physical Address of Vendor	Winning Vendor	Vendor Location		Vendor Selected Preference	
				In-State	Out-of-State	In-State	Veteran
RFP 2016-089-001	Gary Plank	3360 E. Linda Vista Dr. Flagstaff, AZ 86004	X		X		
	LSG and Associates	600 Camino Espanol NW Albuquerque, NM 87107	X	X		X	
Value of Contract:	\$ 210,000.00						
Scope of Work:	Provide Psychological and Counseling Services						
ITB 2016-089-003	Creamland Dairies	PO Box 25067 Albuquerque, NM 87125		X		X	
Value of Contract:	\$ 72,000.00						
Scope of Work:	Provide Milk Products for Food Service						
ITB 2016-089-004	Amerigas	PO Box 1040 Gallup, NM 87305	X	X		X	
	Ferrellgas	703 Old Zuni Rd Gallup, NM 87301		X			
Value of Contract:	\$ 189,000.00						
Scope of Work:	Provide Propane to all district sites						
RFP 2016-089-002	Beck Total Office Interiors	5300 Eagle Rock Ave. NE Ste A Alb., NM 87113		X		X	
	Business Environments	5351 Wilshire Ave. NE Alb., NM 87113		X		X	
	Goodman's	1400 E. Indian School Rd. Phoenix, AZ 85014		X		X	
	Workspace Dynamics	4711 Lomas Blvd., NE Alb., NM 87110		X		X	
	Contract Associates	800 20th St., NW Alb., NM 87104	X	X		X	
Value of Contract:	\$ 365,752.22						
Scope of Work:	Provide furniture for new elementary school						

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF MEMORANDUMS OF AGREEMENTS
JUNE 30, 2016

Schedule VIII

Title:	Memorandum of Agreement – Learning Management System Access
Participants:	ZPSD and NMPED
Responsible Party:	Hayes Lewis
Description:	Provide statewide eLearning Services via the Innovative Digital Education and Learning - New Mexico (IDEAL) Program.
Dates of Operation:	January 24, 2016 through June 30, 2018
Projected Cost:	\$0
Current Cost:	June 30, 2016June 30, 2016June 30, 2016June 30, 2016June 30, 2016Not tracked
Audit Responsibility:	None
Fiscal Agent:	N/A
Reporting Agency:	N/A

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF MEMORANDUMS OF AGREEMENTS
JUNE 30, 2016

Schedule VIII

Title: Memorandum of Agreement – Corrections

Participants: ZPSD and Pueblo of Zuni Corrections Department

Responsible Party: Hayes Lewis and Tyler Lastiyano

Description: Basic educational services for school aged students who are incarcerated or placed on long term suspension or expulsion by ZPSD

Dates of Operation: April 1, 2015 through April 1, 2016

Projected Cost: \$0

Current Cost: Not tracked

Audit Responsibility: None

Fiscal Agent: N/A

Reporting Agency: N/A

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF MEMORANDUMS OF AGREEMENTS
JUNE 30, 2016

Schedule VIII

Title:	Memorandum of Agreement – Career Development
Participants:	ZPSD and Zuni Education and Career Development Center
Responsible Party:	Hayes Lewis and Bernadette Panteah
Description:	Improve parent and community involvement, student personal or social skills, career awareness and job skills.
Dates of Operation:	November 1, 2015 - October 30, 2016
Projected Cost:	\$0
Current Cost:	Not tracked
Audit Responsibility:	None
Fiscal Agent:	N/A
Reporting Agency:	N/A

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF MEMORANDUMS OF AGREEMENTS
JUNE 30, 2016

Schedule VIII

Title:	Memorandum of Agreement – Pueblo of Zuni MPSI Program
Participants:	ZPSD and Pueblo of Zuni
Responsible Party:	Randall Zunie, Arden Kucate, and Hayes Lewis
Description:	Improve parent and community involvement, student personal or social skills, culture awareness, career awareness, health and fitness.
Dates of Operation:	October 1, 2015 - September 30, 2016
Projected Cost:	\$0
Current Cost:	Not tracked
Audit Responsibility:	None
Fiscal Agent:	N/A
Reporting Agency:	N/A

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF MEMORANDUMS OF AGREEMENTS
JUNE 30, 2016

Schedule VIII

Title: Memorandum of Agreement – NM Department of Health

Participants: ZPSD Elementary and Middle Schools and NM Department of Health

Responsible Party: Janie Lee Hall and Ellyce Charles

Description: Flu immunization clinic - School Kids Influenza Immunization Program.

Dates of Operation: As needed

Projected Cost: \$0

Current Cost: Not tracked

Audit Responsibility: None

Fiscal Agent: N/A

Reporting Agency: N/A

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF MEMORANDUMS OF AGREEMENTS
JUNE 30, 2016

Schedule VIII

Title:	Memorandum of Agreement – Dental Service
Participants:	ZPSD and Zuni PHS Indian Hospital Dental Service
Responsible Party:	Susan Griffith and Ralph P Luongo, Jr
Description:	Preventive Dental program.
Dates of Operation:	August 1, 2015 – May 31, 2016
Projected Cost:	\$0
Current Cost:	Not tracked
Audit Responsibility:	None
Fiscal Agent:	N/A
Reporting Agency:	N/A

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF MEMORANDUMS OF AGREEMENTS
JUNE 30, 2016

Schedule VIII

Title:	Memorandum of Agreement – Pueblo of Zuni Tribal language Program
Participants:	ZPSD and Pueblo of Zuni
Responsible Party:	Zuni Tribal Council and ZPSD
Description:	Increase academic skills and competencies, attendance, parent/community involvement, cultural awareness, community support for Education.
Dates of Operation:	July 1, 2015 - June 30, 2016
Projected Cost:	\$0
Current Cost:	Not tracked
Audit Responsibility:	None
Fiscal Agent:	N/A
Reporting Agency:	N/A

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF MEMORANDUMS OF AGREEMENTS
JUNE 30, 2016

Schedule VIII

Title:	Memorandum of Agreement – National Senior Service Corps
Participants:	ZPSD and Pueblo of Zuni
Responsible Party:	Annette Quam, ZPSD Principals
Description:	Foster grandparents to service children with special or exceptional needs for a period of 20 hours per week.
Dates of Operation:	August 6, 2015- May 31, 2016
Projected Cost:	\$0
Current Cost:	Not tracked
Audit Responsibility:	None
Fiscal Agent:	N/A
Reporting Agency:	N/A

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF MEMORANDUMS OF AGREEMENTS
JUNE 30, 2016

Schedule VIII

Title: Memorandum of Agreement – Zuni Youth Enrichment Project

Participants: ZPSD and Zuni Youth Enrichment Project

Responsible Party: Zowie Banteah

Description: Youth Development.

Dates of Operation: August 1, 2015- May 31, 2016

Projected Cost: \$0

Current Cost: Not tracked

Audit Responsibility: None

Fiscal Agent: N/A

Reporting Agency: N/A

The accompanying notes are an integral part of these financial statements.

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COMPLIANCE SECTION



Manning Accounting and Consulting Services, LLC

REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

INDEPENDENT AUDITORS REPORT

Timothy Keller
New Mexico State Auditor
The Office of Management and Budget
And the Board of Education of
Zuni Public Schools
Zuni, New Mexico

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, the aggregate remaining fund information, the budgetary comparisons of the General Fund and major special revenue funds of the Zuni Public Schools (the "District"), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and the combining and individual funds and related budgetary comparisons of the District presented as supplementary information, and have issued our report thereon dated October 03, 2016.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the District's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying Schedule of Findings and Responses, we identified certain deficiencies in internal control over financial reporting that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be material weaknesses. (FS 2016-002 and FS 2016-003)

A *significant deficiency* is a deficiency or a combination of deficiencies in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the deficiencies described in the accompanying Schedule of Findings and Questioned Costs to be significant deficiencies. (FS 2014-006 and FS 2016-001)

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying Schedule of Findings and Responses as items FS 2013-002 and FS 2014-002.

Response to Findings

The District's response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The District's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Manning Accounting and Consulting Services, LLC

Manning Accounting and Consulting Services, LLC
Kirtland, New Mexico
October 03, 2016

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FEDERAL FINANCIAL ASSISTANCE



Manning Accounting and Consulting Services, LLC

REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE INDEPENDENT AUDITOR'S REPORT

Timothy Keller, New Mexico State Auditor
The Office of Management and Budget
And the Board of Education of
Zuni Public Schools
Zuni, New Mexico

Report on Compliance for Each Major Federal Program

We have audited the Zuni Public Schools (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2016. The District's major federal programs are identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on the compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we consider necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Manning Accounting and Consulting Services, LLC

Manning Accounting and Consulting Services, LLC
Kirtland, New Mexico
October 03, 2016

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2016

Schedule IX
(Page 1 of 3)

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA Number	Federal Expenditures
U.S. Department of Education			
<i>Passthrough State of New Mexico Public Education Department</i>			
Special Education Cluster (IDEA)			
IDEA-B - Entitlement	24106	84.027	\$ 497,941
IDEA-B Preschool	24109	84.173	3,551
IDEA-B Results Plan	24132	84.027	15,311
Total Special Education Cluster (IDEA)			<u>516,803</u>
Other Programs (Treated individually for major program determination)			
Carl D Perkins Special Projects - Current	24171	84.048A	37,853
Carl D Perkins Special Projects - Redistribution	24173	84.048A	400
Carl D. Perkins Secondary - Redistribution 2	24183	84.048A	12,498
Total Carl D Perkins			<u>50,751</u>
Title I IASA	24101	84.010	925,745
English Language Acquisition	24153	84.365A	19,976
Teacher / Principal Training & Recruiting	24154	84.367	43,379
Rural & Low Income Schools	24160	84.358	19,578
Title I School Improvement	24162	84.377A	21,347
Total Other Programs			<u>1,080,776</u>
U.S. Department of Health & Human Services			
<i>Passthrough State of New Mexico Public Education Department</i>			
Other Programs (Treated individually for major program determination)			
GRADS Child Care CYFD	25149	93.228	7,596
<i>Subtotal - Passthrough State of New Mexico Public Education Department</i>			<u>1,605,175</u>
<i>Direct U.S. Department of Education</i>			
Other Programs (Treated individually for major program determination)			
Impact Aid			
Impact Aid (1)	11000	84.041	6,106,786
Impact Aid Special Education (1)	25145	84.041	238,751
Impact Aid Indian Education (1)	25147	84.041	1,549,064
Impact Aid Construction (1)	31500	84.041	60,338
Total Impact Aid			<u>7,954,939</u>
Bilingual Ed Comp School Grants	25109	84.290U	51,589
Indian Education Formula Grant	25184	84.060	241,574
Total Other Programs			<u>8,248,102</u>
<i>Subtotal - Direct U.S. Department of Education</i>			<u>8,248,102</u>
Total U.S. Department of Education			<u>9,845,681</u>
Total U.S. Department of Health and Human Services			<u>7,596</u>
U.S. Department of Interior			
<i>Direct U.S. Department of Interior</i>			
Johnson O'Malley	25131	15.130	161,659
Total U.S. Department of Interior			<u>161,659</u>
U.S. Department of Agriculture			
<i>Direct U.S. Department of Agriculture</i>			
Other Programs (Treated individually for major program determination)			
Forest Reserve	11000	10.672	16,113
<i>Subtotal - Direct U.S. Department of Agriculture</i>			<u>16,113</u>
<i>Passthrough State of New Mexico Public Education Department</i>			
Other Programs (Treated individually for major program determination)			
Fresh Fruit and Vegetables	24118	10.582	36,510

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2016

Schedule VI
 (Page 2 of 3)

Federal Grantor or Pass-Through Grantor / Program Title	Passthrough Number	Federal CFDA Number	Federal Expenditures
Child Nutrition Cluster			
USDA School Breakfast Program (1)	21000	10.553	244,179
National School Lunch Program (1)	21000	10.555	615,415
<i>Passthrough State of New Mexico Department of Health and Human Services</i>			
Food Distribution (Commodities) (1)	21000	10.553/10.555	<u>65,632</u>
Total Child Nutrition Cluster			<u>925,226</u>
<i>Subtotal - Passthrough State of New Mexico Public Education Department</i>			<u>896,104</u>
<i>Subtotal - Passthrough State of Department of Health and Human Services</i>			<u>65,632</u>
Total U.S. Department of Agriculture			<u>977,849</u>
Total Federal Financial Assistance			<u><u>\$ 10,992,785</u></u>

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
 ZUNI PUBLIC SCHOOLS
 SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
 FOR THE YEAR ENDED JUNE 30, 2016

Schedule VI
 (Page 3 of 3)

Notes to Schedule of Expenditures of Federal Awards

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal Awards presents the activity of federal award programs administered by the District, which is described in Note 1 to the District's accompanying financial statements, using the modified accrual basis of accounting. federal awards that are included in the schedule may be received directly from federal agencies, as well as federal awards that are passed through from other government agencies. The information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations, Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the financial statements.

2. Subrecipients

The District did not provide any federal awards to subrecipients during the year.

3. Non Cash Federal Assistance

The District receives USDA commodities for use in sponsoring the National School Lunch and Breakfast programs. The value of commodities received for the year ended June 30, 2016 was \$65,632 and is reported in the Schedule of Expenditures of Federal Awards under the Department of Agriculture Commodities program, CFDA numbers 10.553 and 10.555. Commodities are recorded as revenues and expenditures in the food service fund.

4. Indirect Cost Rate

Indirect costs may be included in the reported expenditures, to the extent that they are included in the federal financial reports used as the source for the data presented. Certain of the District's federal award programs have been charged with indirect costs, based upon a rate established by the State of New Mexico, and the District has elected not to use the 10% de minimis indirect cost rate allowed under the Uniform Guidance applied to overall expenditures. The District's indirect cost rate for the year was 5.44%

5. Matching Costs

Matching costs (the District's share of certain program costs) are not included in the reported expenditures. The basis of accounting varies by federal program consistent with the underlying regulations pertaining to each program. The amounts reported as federal expenditures were obtained from the federal financial reports for the applicable program and periods. The amounts reported in these reports are prepared from records maintained for each program, which are reconciled with the District's financial reporting system.

6. Insurance

No insurance is carried specifically to cover equipment purchased with federal funds. Any equipment purchased with federal funds has only a nominal value, and is covered by the District's casualty insurance policies.

7. Loan or Loan Guarantees

There were no loans or loan guarantees outstanding at year-end.

Reconciliation of Schedule of Expenditures of Federal Awards to Financial Statements:

Total federal awards expended per Schedule of Expenditures of Federal Awards	\$ 10,992,785
Total expenditures funded by other sources	<u>28,638,522</u>
Total expenditures	<u><u>\$ 39,631,307</u></u>

(1) Denotes Major Federal Financial Assistance Program

The accompanying notes are an integral part of these financial statements.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

Section I – Summary of Audit Results

Financial Statements:

- | | |
|--|------------|
| 1. Type of auditors’ report issued | Unmodified |
| 2. Internal control over financial reporting: | |
| a. Material weakness in internal control identified? | Yes |
| b. Significant deficiencies identified not considered to be material weaknesses? | Yes |
| c. Non-compliance material to financial statements noted? | None noted |

Federal Awards:

- | | |
|---|------------|
| 1. Internal control over major programs: | |
| a. Material weaknesses identified? | None noted |
| b. Significant deficiencies identified not considered to be material weaknesses? | None noted |
| 2. Type of auditors’ report issued on compliance for major programs | Unmodified |
| 3. Any audit findings disclosed that are required to be reported in accordance with 2 CFR-200.516(a)? | None noted |
| 4. Identification of major programs: | |

CFDA Number	Federal Program
10.553/10.555 84.041	Child Nutrition Cluster Impact Aid

- | | |
|---|-----------|
| 5. Dollar threshold used to distinguish between type A and type B programs: | \$750,000 |
| 6. Auditee qualified as low-risk auditee? | No |

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

Schedule X

Section II – Financial Statement Findings

FS 2013-002 [FS 2013-02] – Purchase Orders and Payment Authorization (Non-Compliance) Repeated and Revised

Criteria: Per the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.” Additionally, “all verified items or services should be recorded on the receiving document or other recording instrument (i.e., electronic file)”, and “upon verifying and recording the receipt of all the items or services ordered, the receiving document or recording instrument shall be manually or electronically signed by authorized receiving personnel and processed for payment according to procedures established by school District or charter school boards’ of education local procedures.” Relevant statutes include 13-1-157 and 13-1-158 NMSA 1978.

Condition: During our review of 25 regular disbursements we identified several instances in which proper procedures were not followed:

- There were 6 instances in which goods and or services were received by the District prior to the creation and approval of a purchase order. The value of these goods and services ranged from \$75.60 to \$626.97. The purchase orders were approved between 7 and 20 days after the goods and services were received. All purchases were for valid and approved products or services.

During our review of single audit disbursements we noticed the following instances in which proper procedures were not followed:

- In 8 of 60 items tested goods and or services were received by the District prior to the creation and approval of a purchase order. The value of the goods ranged from \$257.12 to \$1,056.41. The purchase orders for these goods and services were approved between 14 days and 2 months after the goods and services were received. All purchases were for valid and approved products and services.

During our review of travel and per diem we noted an instance in which proper procedures were not followed:

- There was 1 instance in which an employee completed travel prior to the creation and approval of a purchase order. The amount of this reimbursement was \$127.20. The purchase order was approved the day after travel and a proper travel authorization form had been signed.

During our review of credit card compliance we noted an instance in which proper procedures were not followed:

- In 1 of 25 instances tested a purchase order was not in place prior to the purchase of goods. The amount of the purchase was in the amount \$29.99. The purchase was made on 6/12/15 and the purchase order was created on 6/16/15.

In the prior year’s audit there were no instances identified where the purchase order was approved after the receipt of goods and services during our testing of regular disbursements. However, during our review of credit card purchases we identified one instance in which the purchase order was created after the purchase and two instances in which there were no receipts to verify purchased items and no lost receipt voucher had been processed. During our review of individually significant items in the prior year there were two instances where there was no signature to verify the goods or services received and one instance where an overpayment of \$8,652.32 was made which was later refunded by the vendor. During the current year’s testing we identified no instances where proper receipting procedures had not been performed; no instances where items did not have a valid receipt for the purchase on file; and no instances identified of overpayments on invoices.

Cause: District personnel have not followed state guidelines or internal procedures in the purchase of items. Policy clearly states that the District must have a signed purchase order in place prior to order or receipt of any goods and services.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

Schedule X

Section II – Financial Statement Findings

FS 2013-002 [FS 2013-02] – Purchase Orders and Payment Authorization (Non-Compliance) Repeated and Revised (Continued)

Effect: Internal control over expenditures and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Not being in compliance with these requirements places the District and the Board at risk for fraud or misuse of public funds

Auditor's Recommendation: We recommend that all personnel be reminded of, or trained in, district and state policy in regards to purchasing of goods, services, or construction. All District Personnel need to be aware that a purchase order must be approved prior to ordering or obtaining any goods or services.

Responsible Official's Plan:

- Specific corrective action plan for finding: **The district procurement officer will continue to train all employees who have purchase authority of the requirement to have purchase orders in place prior to making any purchases.**

- Timeline for completion of corrective action plan: **There will be ongoing trainings throughout the school year.**

- Employee position(s) responsible for meeting the timeline: **Director of Finance**

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

Schedule X

Section II – Financial Statement Findings (Continued)

FS 2014-002 – Improper Recording and Timeliness of Deposits – Activity Funds (Non-Compliance) Repeated and Revised

Criteria: NMAC 6.20.2.14 1978:

A. School districts shall establish and maintain a cash management program to safeguard cash and provide prompt and accurate reporting that adheres to cash management requirements of the office of management and budget (OMB) Circular A-102, and applicable state and federal laws and regulations.

B. The school district shall issue a factory pre-numbered receipt for all money received. Pre-numbered receipts are to be controlled and secured. If a receipt is voided, all copies shall be marked "VOID" and retained in the receipt book.

C. Money received and receipted shall be deposited in the bank within twenty-four (24) hours or one banking day. If the distance to the bank is considerable, or the cash collection is limited to small amounts and/or low volume and it is impractical to meet the twenty-four hour/one banking day requirement, the local board may request approval from the department for an alternative plan. The bank deposit slip shall have the numbers from applicable receipts entered on it or attached as a reference.

K. All bank accounts shall be reconciled on a monthly basis. Reconciled bank statements are to be reviewed by the business manager and/or assistant superintendent for business administration. The bank statement, deposit slips, and canceled checks shall be made available to the district's auditor during the annual audit.

Condition: During our review of 25 activity receipts we identified two instances in which cash received by the schools were not deposited within 24 hours of receipt:

- On 11/16/15 ZMS received \$75.00. The funds were deposited on 11/18/15
- On 4/14/16 ZMS received \$157.15. The funds were deposited on 4/21/16.

In the previous year's audit 4 of 25 deposits tested were not deposited within 24 hours.

Cause: The District did not deposit the funds received within 24 hours after receipt. Proper procedures relating to cash receipts were not followed.

Effect: Non-adherence to state statutes places the District in non-compliance and lack of timeliness of deposits could subject the District to a possible occurrence of fraud.

Auditors' Recommendations: We recommend that the District emphasize the importance of timely deposits of receipts. The District should cross-train employees so that more than one individual is able to make deposits to ensure timely deposits are possible.

Responsible Official's Plan:

- Specific corrective action plan for finding: **The school site personnel responsible for receiving and depositing funds will continue to be trained in the timelines that determine timeliness of deposits. Our records indicate that the 4/14/2016 deposit was put in the drop box on April 15th but the bank didn't process it until April 21st.**
- Timeline for completion of corrective action plan: **Ongoing training throughout the school year.**
- Employee position(s) responsible for meeting the timeline: **Director of Finance**

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

Schedule X

Section II – Financial Statement Findings (Continued)

**FS 2014-006 – Purchase Orders and Payment Authorization – Activity Funds (Significant Deficiency)
Repeated and Revised**

Criteria: Per the New Mexico Manual of Procedures for Public School Accounting and Budgeting, Supplement 13 – Purchasing, “the preparation and execution of a duly authorized purchase order must precede the placement of any order for goods, services or construction.” Additionally, “all verified items or services should be recorded on the receiving document or other recording instrument (i.e., electronic file)”, and “upon verifying and recording the receipt of all the items or services ordered, the receiving document or recording instrument shall be manually or electronically signed by authorized receiving personnel and processed for payment according to procedures established by school District or charter school boards’ of education local procedures.” Relevant statutes include 13-1-157 and 13-1-158 NMSA 1978.

Condition: During our review of 25 activity disbursements we identified several instances in which proper procedures were not followed:

- There were 2 instances in which goods and or services were received by the schools prior to the creation and approval of a purchase order. The value of these goods and services were \$60.00 and \$241.57. In both instances the purchase orders were approved the day after the goods or services were received.
- There were 7 instances in which there was no receiving documentation to verify goods and services were received by the schools. The value of these goods and services ranged from \$21.00 to \$2,543.58.

In the prior year’s audit there were 7 instances in which the purchase order was created after the receipt of goods or services and 11 instances in which there was no receiving documentation.

Cause: District personnel have not followed state guidelines or internal procedures in the purchase of items. Policy clearly states that the District must have a signed purchase order in place prior to order or receipt of any goods and services. State guidelines require that goods and services received by a District have appropriate receiving documentation.

Effect: Internal control over expenditures and the ability of responsible parties to appropriately monitor budgets for which they bear responsibility may be compromised. Receiving documentation allows the District to know who has verified that goods or services are actually received and can account for those goods or services. Not being in compliance with these requirements places the District and the Board at risk for fraud or misuse of public funds

Auditor’s Recommendation: We recommend that all personnel be reminded of, or trained in, district and state policy in regards to purchasing of goods, services, or construction. All District Personnel need to be aware that a purchase order must be approved prior to ordering goods or services . Additionally, when goods and services are received by the District, someone must sign and date when the product or service was received or a receipt must be recorded.

Responsible Official’s Plan:

- Specific corrective action plan for finding: **The district procurement officer will continue to train all school site personnel with purchase responsibilities of the requirement to have purchase orders in place before any purchases can be made. The training will also focus on proper receiving procedures.**
- Timeline for completion of corrective action plan: **This district conducts and will continue to conduct training throughout the school year.**
- Employee position(s) responsible for meeting the timeline: **Director of Finance**

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

Schedule X

Section II – Financial Statement Findings (Continued)

FS 2016-001 – Improper Retention of Bid/RFP’s Documentation and Approval of Award (Significant Deficiency)

Criteria: **1.4.1.14 NMAC 1978: APPLICATION (COMPETITIVE SEALED BIDS; 1.4.1.14 -1.4.1.28 NMAC):** The provisions of 1.4.1.14 through 1.4.1.28 NMAC apply to every procurement made by competitive sealed bids.

The provisions of 1.4.1.14 through 1.4.1.28 NMAC apply to every procurement made by competitive sealed bids.

1.4.1.15 NMAC 1978: **COMPETITIVE SEALED BIDS REQUIRED:** All procurement shall be achieved by competitive sealed bids except procurement achieved pursuant to the following methods:

- A. competitive sealed proposals;
- B. small purchases;
- C. sole source procurement;
- D. emergency procurement;
- E. procurement under existing contracts; and
- F. purchases from anti-poverty program businesses.

1.4.1.22 NMAC 1978: BID OPENING:

A. **Receipt. Upon its receipt, each bid and modification shall be time-stamped but not opened and shall be stored in a secure place until the time and date set for bid opening.**

B. No bids received. Except as provided in 1.4.1.68 through 1.4.1.72 NMAC of this rule, if no bids are received or if all bids received are rejected in accordance with the provisions of 1.4.1.68 through 1.4.1.72 NMAC of this rule, a new IFB shall be issued. If upon re-bidding with no change in specifications from the first IFB, the bids received are unacceptable, or if no bids are secured, the state purchasing agent may purchase (i.e., as opposed to procure) the items of tangible personal property, construction or services in the open market at the best obtainable price.

C. Opening and recording. Bids and modifications shall be opened publicly in the presence of one or more witnesses at the time and place designated in the IFB. The name of each bidder, the amount of each bid and each bid item, if appropriate, the names and addresses of the required witnesses, and such other relevant information as may be specified by the state purchasing agent shall be recorded. The record shall be open for public inspection. Each bid, except those portions for which a bidder has made a written request for confidentiality, shall also be open to public inspection. Any data, which a bidder believes should be kept confidential shall accompany the bid and shall be readily separable from the bid in order to facilitate public inspection of the non-confidential portion of the bid. Prices and makes and models or catalogue numbers of the items offered, deliveries, and terms of payment shall be publicly available at the time of bid opening regardless of any designation to the contrary.

1.4.1.24 NMAC 1978: BID EVALUATION AND AWARD:

G. Documentation of award. Following award, a record showing the basis for determining the successful bidder shall be made a part of the procurement file. **Award in this context means the final required state agency signature on the contract(s) resulting from the procurement.**

H. Publicizing awards. Written notice of award shall be sent to the successful bidder. Notice of award shall also be posted at the state purchasing agent's office.

Condition: During our testing of bid compliance we identified the following instances in which proper procedures were not followed;

- In 1 of 5 bids reviewed, the envelopes with the time stamp of when the bids were received by the District were unavailable for review for 2 of the 5 bids received for RFP 2016-089-002. One of those envelopes was for the winning bidder.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

Schedule X

Section II – Financial Statement Findings (Continued)

FS 2016-001 – Improper Retention of Bid/RFP’s Documentation and Approval of Award (Significant Deficiency) (Continued)

- In 1 of 5 bids reviewed the board did not approve the winning bid. The Board discussed the award and elected to table the award until the following meeting. Review of the following month’s minutes indicated that the award was not put on the agenda and the Board never took up the approval of the award thereafter.

Cause: The District has not followed proper state statutes in the receiving of bids. The District has not properly documented and maintained bid receiving documents to verify timeliness of delivery of bids and RFPs. Additionally, the District may not have properly approved a winning bidder in a board meeting.

Effect: The District is not in compliance with State Purchasing Guidelines. This opens the District up to possible incidences of fraud and possible occurrences of disputed awards which could cause additional legal and monetary consequences.

Auditor’s Recommendation: We recommend that the District insure that all personnel responsible for the receipt of bid envelopes are trained in proper receiving and retention policies. We also recommend that someone be assigned the responsibility to verify that all bids and RFPs are fully approved as required, especially when being tabled at the designated board meeting.

Responsible Official’s Plan:

- Specific corrective action plan for finding: **A procedure for storing RFP and ITB documents will be created to ensure that all required documents are kept as required by statute. A procedure to ensure that tabled awards are presented at a subsequent board meeting for approval will be created.**

- Timeline for completion of corrective action plan: **09/30/2016**

- Employee position(s) responsible for meeting the timeline: **Director of Finance**

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

Schedule X

Section II – Financial Statement Findings (Continued)

FS 2016– 002 – Failure to Follow Proper Internal Controls Related to Cash (Material Weakness)

Criteria: 6.20.2.11 NMAC 1978: **INTERNAL CONTROL STRUCTURE STANDARDS:**

A. **Every school district shall establish and maintain an internal control structure to provide management with reasonable assurance that assets are safe-guarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization** and recorded properly to permit the preparation of general purpose financial statements in accordance with GAAP, and that state and federal programs are managed in compliance with applicable laws and regulations. The internal control structure shall include written administrative controls (rules, procedures and practices, and policies that affect the organization) and accounting controls (activity cycles, financial statement captions, accounting applications including computer systems) that are in accordance with GAAP.

B. **Each school district shall develop, establish and maintain a structure of internal accounting controls** and written procedures to provide for segregation of duties, **a system of authorization** and recording procedures, and sound accounting practices in performance of duties and functions. The duties to be segregated are the authorization to execute a transaction, recording the transaction, and custody of assets involved in the transaction.

(1) School district management must ensure that protection of the public trust is a major focus when granting the authorization to execute business of the school district.

(2) **Employees handling significant amounts of cash must be adequately bonded. Access to assets is permitted only in accordance with school district authorization.**

(3) Receipts, checks or warrants, purchase orders, and vouchers shall be sequentially pre-numbered.

(4) School districts shall have proper safeguards to protect unused checks and other pre-numbered forms, undeposited cash and other receipts, and facsimile signature plates.

(5) Transactions are to be recorded as necessary to permit preparation of financial statements in conformity with GAAP. In addition, school districts shall establish any other criteria applicable to such statements to maintain accountability for assets.

(6) School districts shall conduct independent checks on performance and proper valuation of recorded amounts, such as clerical checks, reconciliations, comparison of assets with recorded accountability, computer-programmed controls, management review of reports that summarize the detail of account balances, and user review of computer generated reports.

Condition: During the school year one of the employees responsible for the District's funds was targeted by a "spear phishing" email scam which purported to be from the superintendent and asked the individual to circumvent normal internal controls and wire transfer \$43,500 to a new vendor. The individual wired the funds as directed in the email prior to establishing that the request was valid even though it circumvented the established procedures of the District. The responsible employee identified shortly thereafter that the request was fraudulent and then began the process of notifying responsible parties and attempting to recover the funds which had been wired.

This scam has been perpetrated on several other agencies in the past year causing the OSA to send a risk advisory warning of this fraud and reminding agencies to follow their established procedures in all cases.

Cause: An employee did not follow established internal control procedures for processing payment requests and for maintaining proper cash controls.

Effect: The District transferred a large sum of public money to an unknown entity. The District was able to recover the funds within a few days, and the District did not suffer the actual loss of any funds. However, the District very well could have suffered a significant loss of funds due to its failure to follow established disbursement and cash procedures.

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

Schedule X

Section II – Financial Statement Findings (Continued)

FS 2016– 002 – Failure to Follow Proper Internal Controls Related to Cash (Material Weakness) (Continued)

Auditor’s Recommendation: We recommend that the District train all employees responsible for handling and processing District funds in the proper procedures that must be followed prior to payment authorization, be they through check or through wire transfers. We also recommend that the District institute specific training to help employees identify and report possible phishing scam emails to the District’s IT department, the OSA, and the GAO.

Responsible Official’s View:

- Specific corrective action plan for finding: **A procedure was added to the ZPSD Accounting Manual stating that no wire transfers may be made without written documentation requesting that transfer.**
- Timeline for completion of corrective action plan: **Already done**
- Employee position(s) responsible for meeting the timeline: **Finance Director**

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

Schedule X

Section II – Financial Statement Findings (Continued)

FS 2016-03 Improper Recording and Maintenance of Fixed Assets Inventory (Material Weakness)

Criteria: 2.20.1.8 NMAC 1978 FIXED ASSET ACCOUNTING SYSTEM:

- A. Agencies should implement systematic and well-documented methods for accounting for their fixed assets. A computerized system is recommended, with appropriate controls on access and authorization of transactions.
- B. The information to be recorded and maintained on its fixed assets, must include at a minimum the following:
 - 1. agency name or commonly used initials used to identify the agency;
 - 2. fixed asset number or fixed asset number plus component number;
 - 3. a description using words meaningful for identification;
 - 4. location, specifically a building and room number. If the asset is movable, the name and location of the fixed asset coordinator should be used;
 - 5. manufacturer name (NOT the vendor's name, unless vendor is the manufacturer);
 - 6. model number or model name;
 - 7. serial number, or vehicle identification number (VIN) for vehicles in agency's use & possession. If the fixed asset has no serial number, e.g., a custom-built asset, absence should be acknowledged by coding this as "none";
 - 8. estimated useful life or units expected to be produced;
 - 9. date acquired (month and year)
 - 10. cost (according to the valuation methods described in section 10 [now 2.20.1.10 NMAC];
 - 11. fund and organization that purchased the asset, or to which it was transferred.
- C. **The system must be capable of generating lists of fixed assets in sequences useful for managing them. It must track all transactions including acquisitions, depreciation (if needed), betterments and dispositions. It must generate all necessary accounting entries to the agency's general ledger.**

Additionally 2.20.1.16 NMAC 1978 ANNUAL INVENTORY:

- A. At the end of the fiscal year, each agency shall conduct a physical inventory of its fixed assets consisting of those with a historical cost of one thousand dollars (\$1,000) or more, under the control of the governing authority.
- B. This inventory shall include all property procured through the capital projects fund which are assigned to the agency designated by the director of the property control division as the user agency.
- C. All passenger vehicles must be included in the inventory process. This includes all vehicles leased from the transportation services division of the general services department as required by the "Auditor's Rule" 2 NMAC 2.2.11.1.L [now Paragraph (8) or Subsection A of 2.2.2.12 NMAC].
- D. The inventory process shall produce a list of the property and the date and cost of acquisition. The annual physical inventory checks against losses not previously revealed and brings to light errors in records of accountability, but more importantly, a systematic physical inventory of fixed assets provides an opportunity for surveying their physical condition, with respect to their need for repairs, maintenance or replacement.
- E. The results of the physical inventory shall be recorded in a written inventory report, certified as to correctness and signed by the governing authority of the agency. In the process of conducting their fieldwork, the state auditor or independent public accountant under a contract approved by the state auditor may test the correctness of the inventory by generally accepted auditing procedures (Laws 1999, Chapter 230).

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

Schedule X

Section II – Financial Statement Findings (Continued)

FS 2016-03 Improper Recording and Maintenance of Fixed Assets Inventory (Material Weakness)
(Continued)

Finally 12-6-10 NMSA 1978 Annual inventory.

- A. The governing authority of each agency shall, at the end of each fiscal year, conduct a physical inventory of movable chattels and equipment costing more than five thousand dollars (\$5,000) and under the control of the governing authority. This inventory shall include all movable chattels and equipment procured through the capital program fund under Section 15-3B-16 NMSA 1978, which are assigned to the agency designated by the director of the property control division of the general services department as the user agency. The inventory shall list the chattels and equipment and the date and cost of acquisition. No agency shall be required to list any item costing five thousand dollars (\$5,000) or less. Upon completion, the inventory shall be certified by the governing authority as to correctness. Each agency shall maintain one copy in its files. **At the time of the annual audit, the state auditor shall satisfy himself as to the correctness of the inventory by generally accepted auditing procedures.**

Condition: The fixed asset detail and the depreciation detail provided in previous audits when compared to the detail provided in the current audit were not accurate and resulted in fixed assets being understated by \$348,321 and depreciation being overstated by \$39,977 for a total net misstatement of \$388,298.

Cause: The software system used to maintain fixed asset detail and depreciation processing appears to have dropped items from the report in the previous years and had incorrectly calculated depreciation totals in those years.

Effect: The net value of fixed assets was underreported in the previous audits by \$388,298

Auditors' Recommendations: We recommend that the District emphasize the importance of adherence to State guidelines in regards to fixed asset reports and annual inventory to ensure proper asset values are presented to the Board as they bear responsibility for these assets. Additionally District staff should ensure that the reports being generated for record fixed assets include all fixed assets of the District and agree to previous year's reports.

Responsible Official's Response:

- Specific corrective action plan for finding: **The district will more closely monitor the fixed asset listing in the district financial software.**

- Timeline for completion of corrective action plan: **Throughout the school year.**

- Employee position(s) responsible for meeting the timeline: **Director of Finance**

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

Schedule X

Section III – Federal Award Findings

None noted

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2016

Schedule X

Section IV – Prior Year Audit Findings

Financial Statement Findings

FS 2012-005 [2012-05] Budgetary Controls – Resolved
FS 2013-002 [2013-02] Purchase Orders and Payment Authorization – Repeated and Revised
FS 2014-001 Timeliness of Deposits – Resolved
FS 2014-002 Timeliness of Deposits – Activity Funds – Repeated and Revised
FS 2014-006 Purchase Orders and Payment Authorization – Activity Accounts – Repeated and Revised
FS 2014-008 Background Checks – Resolved
FS 2014-013 Recording of Warehouse Inventory – Resolved
FS 2015-001 Improper Purchase of High Grade Fuel – Resolved
FS 2015-002 Improper Cash Controls and Outstanding Warrants – Activity Accounts – Resolved
FS 2015-003 Segregation of Duties - Resolved

Federal Awards Findings

FA 2015-001 Procurement and Suspension and Debarment – Resolved

STATE OF NEW MEXICO
ZUNI PUBLIC SCHOOLS
OTHER DISCLOSURES
FOR THE YEAR ENDED JUNE 30, 2016

Auditor Prepared Financial Statements

Manning Accounting and Consulting Services, LLC prepared the GAAP-basis financial statements and footnotes of Zuni Public Schools from the original books and records provided to them by the management of the District. The District's management has reviewed and approved the financial statements and related notes and they believe that their records adequately support the financial statements. The responsibility for the financial statements remains with the District.

Exit Conference

The contents of this report were discussed on October 03, 2016. The following individuals were in attendance.

Zuni Public Schools

Daniel Benavidez, Superintendent
Martin Romine, Director of Finance
Masika Sweetwyne, Board Member

Manning Accounting and Consulting Services, LLC

Byron R. Manning, CPA, Managing Partner
Chris Manning, Staff